



Daily Report

East Asia

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Japan

Tokyo G-7 Summit Discussion Topics Reported

Relaxation of Cocom Regulations

OW0107092593 Tokyo KYODO in English 0911 GMT
1 Jul 93

[Text] Tokyo, July 1 KYODO—The Group of Seven industrial nations will discuss a relaxation of rules on exports of militarily sensitive items to the former Eastern bloc at their summit in Tokyo next week, a Japanese Government official said Thursday.

The discussion will focus on a U.S. proposal to remove a number of electronics and other high-technology goods from a list of 144 items regulated under Cocom, said the official, who requested anonymity. The U.S. proposal calls for taking computers, aircraft navigation systems and laser equipment from the blacklist in the first stage, the official said.

Washington also wants to reorganize Cocom into a body that regulates sensitive exports to militarily hardline nations like North Korea and Iraq, he added.

Cocom, or the Coordinating Committee for Multilateral Export Controls, was set up in 1949 at the start of the cold war to stop the Soviet Union acquiring Western technology.

The Paris-based Western trade watchdog has already eased its rules on exports to some East European nations such as Hungary as the end of the cold war has made Cocom rules outdated.

At a meeting in Paris last November, Cocom member countries agreed to gradually relax the rules covering exports of sensitive technology to the former Soviet bloc nations as they comply with Cocom's step-by-step process.

Support of Cocom Curbs for Russia

OW0107103893 Tokyo KYODO in English 1022 GMT
1 Jul 93

[Text] Tokyo, July 1 KYODO—Japan will oppose lifting multilateral curbs on high-tech sales to Russia unless Moscow agrees to institute "effective export control" of its military technology to the Third World, a Foreign Ministry official said Thursday. "Our position is that effective export control has to be put in place in Russia so that we can relax restrictions on these (Cocom regulated) items," said the official, in a briefing on upcoming talks between leaders of the Group of Seven (G-7) major powers and Russian President Boris Yeltsin.

The official said Japan will respond to a recent U.S. proposal to ease Cocom curbs for Russia in exchange for an accord by Moscow to halt shipments of manufactured goods that could be used by importing nations to make weapons.

The U.S. Administration of President Bill Clinton reportedly has proposed to other G-7 summit partners that multilateral curbs on sales to Russia of "dual technology"—high technology capable of being diverted to military use—be slashed if Moscow agrees to curb its own dual technology exports.

The Coordinating Committee (Cocom) is a Paris-based watchdog body regulating exports of 144 items of weapons technology and militarily applicable civilian high technology.

"We would be able to do that (relax restrictions on Cocom items) with progress in this effective export control," said the ministry official. He spoke on condition of anonymity.

THE NEW YORK TIMES reported recently that President Clinton forwarded a letter to Russian President Yeltsin requesting a halt on sales of missile technology to Libya by way of Ukraine. After Yeltsin rejected the plea, the newspaper said, Ukraine seized the cargo of missile fuel after a tip from Washington.

Russian Prime Minister Viktor Chernomyrdin canceled his planned talks with U.S. Vice President Al Gore in Washington in late June after the Clinton administration complained about the sales attempt.

The Japanese Foreign Ministry official suggested that the leaders at the June 7-9 Tokyo summit or the summit's political declaration take up the issue of the Russian arms exports to Libya and other countries.

"It is still being wrapped up," he said.

A draft declaration of the Tokyo summit urges Russia and other former Soviet republics to join the missile technology control regime, an international accord banning sales of missile-related technology and materials.

The official also said coordination talks are under way to finalize the size of the proposed privatization funds for state-run Russian enterprises. Press reports from Washington recently said the G-7 countries may agree in Tokyo to scale down the size of the fund to 2 billion dollars from an originally proposed 4 billion dollars.

"Strenuous efforts are being made to find some sort of compromise," the Japanese official said.

Labor, Medical Sector Reforms

OW0107090993 Tokyo KYODO in English 0853 GMT
1 Jul 93

[Text] Tokyo, July 1 KYODO—Finance ministers of the Group of Seven (G-7) major industrial countries will propose at the July 7-9 Tokyo summit of the G-7 leaders that they should all strive for structural reforms of their labor markets and medical services to promote global economic growth, government sources said Thursday.

The proposal will be made in a report to be presented by Japanese Finance Minister Yoshiro Hayashi at the summit of the Group of Seven (G-7) industrial nations, the sources said.

They said the report will be submitted to a plenary meeting of the summit on July 8 by Hayashi on behalf of his G-7 counterparts and be published on July 9 with an economic declaration to be adopted at the summit. The sources said the report will say that the nations will be unable to reinvigorate their labor markets unless they change their policies on minimum wage, high unemployment benefits, and heavy income tax burdens on employed workers.

The report will say the minimum-wage system tends to increase unemployment by discouraging work at less than minimum wages, the sources said.

To increase employment, the report will call for expanded public investments, improved education on labor at primary and secondary schools, and better public training in job skills, the sources said.

The report will also urge improved measures to deal with the aging of the population and to increase employment opportunities for older workers, the sources said.

In addition, the report will say that patients should be required to contribute more to medical costs and that public and private hospitals be required to compete with one another to improve medical services, the sources said.

They said the report will also call on the G-7 nations to urgently settle the stalled Uruguay Round of multilateral trade talks to establish a global free trade system and promote global economic growth.

Financial Structural Problems

OW010712293 Tokyo KYODO in English 1122 GMT 1 Jul 93

[Text] Tokyo, July 1 KYODO—Finance ministers of the Group of Seven (G-7) major economic powers will discuss their structural problems at the summit next week in Tokyo, Finance Ministry officials said Thursday.

The officials said the ministers will spotlight issues such as financial and labor markets, medical costs, fiscal deficits, environmental problems, and the balance of savings and investments. Their discussions will be reported by Japanese Finance Minister Yoshiro Hayashi to the G-7 leaders gathered in the Japanese capital for their annual meeting.

A top Finance Ministry official said no specific country will be named in the report. Finance ministers and foreign ministers will accompany their leaders to Tokyo and hold separate discussions.

Timetable Officially Announced

OW0107095893 Tokyo KYODO in English 0933 GMT 1 Jul 93

[Text] Tokyo, July 1 KYODO—The Japanese Government on Thursday officially announced the timetable for the three-day summit meeting of the Group of Seven (G-7) richest countries in Tokyo next week.

On July 7, the opening day of the annual gathering, a welcome ceremony is to be held at the Akasaka Palace State Guesthouse in central Tokyo before a photo-taking session takes place, according to the schedule.

G-7 leaders will have respective talks with each other at the same place. Foreign ministers and finance ministers of the seven countries will also meet separately with their G-7 counterparts.

Aside from Japan, host to this year's summit meeting, six other countries—Britain, Canada, France, Germany, Italy and the United States—are included in the G-7.

At night, G-7 leaders are to have working dinners separately with other leaders at Japanese Prime Minister Kiichi Miyazawa's official residence. G-7 foreign and finance ministers will have respective working dinners with their other countries' counterparts at different places.

The planned announcement of a political declaration of the G-7 nations will be the main event for July 8. The paper will be issued after a series of meetings of G-7 leaders and foreign ministers.

After having a general meeting at the Akasaka Palace in the afternoon, G-7 leaders will attend a dinner party to be held at the Imperial Palace.

On July 9, the last day of this year's summit, a general meeting is to take place at the Akasaka Palace before the planned announcement of an economic declaration.

In the afternoon, G-7 leaders will attend a memorial photo-taking session and hold a meeting with Russian President Boris Yeltsin at the guesthouse.

To wrap up the three-day gathering, Miyazawa, who chairs the Tokyo summit, will announce the outcome of the meet to the press jointly with Yeltsin.

Tokyo on Russian Nuclear Waste Dumping at Sea

OW0107134493 Tokyo KYODO in English 1323 GMT 1 Jul 93

[Text] Tokyo, July 1 KYODO—Japan's Prime Minister Kiichi Miyazawa plans to ask Russia to halt sea dumping of nuclear waste at a meeting in Tokyo among heads of the Group of Seven (G-7) nations and Russian President Boris Yeltsin on July 9, government sources said Thursday. The meeting will take place immediately after the G-7's July 7-9 summit in Tokyo.

The sources said Miyazawa will make a direct request to Yeltsin for Russia to halt its continued disposal of water used as coolant in nuclear reactors.

Japan plans to raise Russia's dumping into the Sea of Japan of nuclear waste during the Tokyo summit but the other G-7 nations have indicated they see it as a bilateral issue involving Russia and other immediately affected countries. The sources said this prompted Japan to move to bringing up the matter during the postsummit meeting among G-7 leaders and Yeltsin.

They also said Japan is attempting to allay domestic criticism that it will give aid to Russia while refraining from talking about four Russian-held islands. The former Soviet Union seized the islands from Japan at the end of World War II.

A Russo-Japanese working group set up to deal with ocean dumping of nuclear waste is scheduled to hold a second meeting in September. A survey of the environmental impact in the region of the dumping carried out by the former Soviet Union and then by Russia over past decades is expected to be conducted this year.

If Russia moves to halt the dumping, Japan is considering how it can assist in the construction of a facility for the storage of radioactive liquid waste, the sources said.

Miyazawa, Clinton Plan To Discuss Trade 6 Jul

*OW0107054593 Tokyo KYODO in English 0411 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—Prime Minister Kiichi Miyazawa will meet U.S. President Bill Clinton next Tuesday before the Group of Seven (G-7) summit to discuss the summit agenda and bilateral economic relations, a senior foreign ministry official said Thursday. Japanese analysts said U.S.-Japan trade disputes could affect the direction of the G-7 dialogue.

The official said Clinton will meet Miyazawa at the Iikura Guest House in the afternoon shortly after arriving in Tokyo from San Francisco, where he is expected to deliver a speech on his second foreign trip since his January inauguration.

Clinton met Russian President Boris Yeltsin in Vancouver, Canada in early April.

The Foreign Ministry official said Miyazawa and Clinton will compare notes on the agenda of the Tokyo Economic Summit, which begins Wednesday, Japan-U.S. economic relations and developments in the Asia-Pacific region.

Japan and the United States are negotiating an agreement on a new economic framework to help correct the trade imbalance and reduce Japan's huge current account surplus.

The two leaders will also exchange views on North Korea, China and Cambodia, among other countries, the official said, speaking on condition he not be identified.

The Tokyo summit will be attended by the heads of state or government of Britain, Canada, France, Germany, Italy, Japan and the United States, as well as the president of the Commission of the 12-Nation European Community.

While in Tokyo, Clinton is also expected to meet President Suharto of Indonesia, who is chairman of the Non-Aligned Movement.

Clinton's itinerary also includes an address to students and faculty at Waseda University in Tokyo and a meeting with Yeltsin before leaving July 10 for South Korea.

Miyazawa Plans To Meet EC Officials 6 Jul

*OW0107061693 Tokyo KYODO in English 0354 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—Japan's Prime Minister Kiichi Miyazawa will meet top officials of the European community (EC) next Tuesday [6 July] to discuss the bilateral trade imbalance, political relations and cooperation, Foreign Ministry officials said Thursday.

On the morning of July 6, Miyazawa will hold a meeting followed by a working lunch with EC Commission President Jacques Delors and Belgian Prime Minister Jean-Luc Dehaene, the officials said. Belgium currently holds the half-year rotating chairmanship of the EC Commission.

The EC top officials will visit Tokyo to attend the July 7 to 9 summit meeting of the Group of Seven (G-7) major industrialized nations—Britain, Canada, France, Germany, Italy, Japan and the United States.

They said the biggest issue to be discussed in Japan-EC economic relations will be the EC's huge trade deficit with Japan, which amounted to 27.4 billion dollars in 1991 and 31.2 billion dollars in 1992. The 1992 figure accounted for 59.5 percent of the EC's total trade deficit, according to the Ministry.

Among other issues on the agenda will be the current situation of the Asia Pacific region, mainly involving China, North Korea and Cambodia, and the stalled Uruguay round of multilateral trade negotiations being held under the General Agreement on Tariffs and Trade (GATT), they said.

The Ministry is now coordinating a Japan-Italy summit to be held in the afternoon of July 6, they said. Italy is expected to chair the G-7 summit next year.

New Framework Accord Said Unlikely by Summit*OW0107121993 Tokyo KYODO in English 1137 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—Japan and the United States will be unable to agree on a new trade framework before next week's Group of Seven (G-7) summit if Washington continues to insist on numerical targets for bringing down Japan's trade surplus, a top Foreign Ministry source said Thursday. The source told reporters that the U.S. negotiators maintained their insistence on setting numerical targets in a two-day session of subcabinet-level talks earlier this week.

Prime Minister Kiichi Miyazawa and President Bill Clinton agreed in talks last April to formulate a new framework for bilateral trade ties by the time of the July 7-9 summit of the G-7 leaders in Tokyo.

The source vowed that Japan would not back down in its opposition to setting numerical targets "even if somewhat different phraseology" is used by Washington to describe essentially the same thing. "If they stick to that, then as far as Japan is concerned the two sides will remain at odds no matter how much time elapses," he said.

He said the idea of setting targets smacked of "managed trade" and predicted it would be unacceptable to whatever Japanese Government is formed after the July 18 general election.

The source was responding to a question about the U.S. Government reportedly waiting until a new Japanese Government comes to power before proceeding with the talks. He joked that only if the Japanese Communist Party won the elections would Japan accept the idea of managed trade and a managed economy.

Construction Ministry Welcomes U.S. Extension*OW0107070993 Tokyo KYODO in English 0641 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—The Construction Ministry breathed a sigh of relief Thursday after the United States announced it has extended its deadline for sanctions against Japan's construction market. Ministry officials called the U.S. action a "considered judgment" because Washington had decided against unilateral measures in favor of continued negotiations.

The ministry said in a statement it was regrettable that the U.S. perceives Japan's construction market to be discriminatory. It also called unacceptable U.S. demands for concessions by imposing a deadline. The construction business has been plagued by a series of bribery scandals involving politicians.

The ministry said it plans "broad based talks" with the U.S. but hinted it will not change its overall stance during the bilateral exchange.

Washington has charged that Japan discriminates against U.S. companies in the procurement of construction, architectural and engineering services. Invoking provisions of the 1988 Trade Law, Washington demanded on April 30 that Japan settle within 60 days the dispute on the Japanese construction market or face retaliation.

But the deadline was postponed another four months on Thursday to allow Japan time to form a new government following a general election on July 18.

Industry watchers said the overall situation will become harder for Japan because Washington now has new evidence to press for change. The prosecutors arrested top officials of Japan's four major general contractors and the mayor of Sendai on suspicion of bribery.

The U.S.-Japan construction talks are expected to resume after the general election, ministry officials said. The schedule for the talks has not been decided, however.

Rohm: No Comment on Memory Chip Patent Approval*OW3006074293 Tokyo KYODO in English 0657 GMT
30 Jun 93*

[Text] Osaka, June 30 KYODO—Japanese semiconductor maker Rohm Corp. declined immediate comment Wednesday [30 June] on reports that a court in the United States has approved the basic patents on flash memory microchips owned by its U.S. subsidiary.

Reports from the United States said Wednesday the U.S. Federal Circuit Court rejected objections raised by U.S. rival Intel Corp. and affirmed the patents obtained by Rohm's San Jose, California-based subsidiary in 1987. "We have no comment at this stage since Intel still has the right to appeal," a spokesman for the Kyoto-based company said.

Rohm is the first Japanese firm to obtain basic patent rights on the flash memory microchip, known as the next-generation semiconductor, which can store computer data even after power is cut off.

The leading economic journal NIHON KEIZAI SHIMBUN said Rohm will soon seek payments of patent fees from Intel, a major U.S. electronics firm based in Santa Clara, California, and other major microchip makers such as Toshiba Corp. and Hitachi Ltd.

Projectile Launcher Found Near U.S. Yokota Base*OW0107004393 Tokyo KYODO in English 0018 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—Police found a homemade rocket launcher at a condominium construction site near the U.S. air force base in Yokota, western Tokyo, early Thursday after local residents reported hearing an explosion at 3:05 A.M.

Investigators rushed to the spot following the report and found the rocket launcher set toward the U.S. base together with parts of a timing device on the fourth floor of the condominium, police said. No injuries or damage were reported.

Police began a search inside and around the U.S. base for a projectile possibly fired from the launcher, but without immediately finding anything.

The condominium under construction is located some 400 meters west of the Yokota base.

The metropolitan police department said it suspects that an extremist group opposing next week's Group of Seven summit in Tokyo set and fired the rocket launcher. In 1986, the extreme left-wing Chukaku-ha (middle core faction) launched a projectile against the Yokota base a few days before the second Tokyo Economic Summit.

Police Find Projectile Part

*OW0107042793 Tokyo KYODO in English 0340 GMT
1 Jul 93*

[Excerpt] Tokyo, July 1 KYODO—A homemade projectile used in a suspected extremist attack Thursday morning missed the U.S. Air Force base in Yokota, western Tokyo, police said.

Police said they found part of a projectile filled with an explosive around a railway station near the U.S. base, and two rocket launchers at a nearby condominium construction site after local residents reported hearing an explosion at 3:05 A.M.

When they arrived on the scene, police officers found two 40-centimeter rocket launchers aimed at the base and pieces of timing devices on the fourth floor of the condominium, police said. Some 20 windows on the second, third and fourth floors of the four-story building were broken in the blast, police said. One of the two launchers was also broken.

Later in the morning, police found part of a projectile near Higashi Fussa Station of the East Japan Railway Co.

Witnesses told police that they saw three to four men leave the construction site by car just before the blast. [passage omitted]

Monetary Authorities Welcome German Rate Cut

*OW0107134293 Tokyo KYODO in English 1326 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—Japanese monetary authorities Thursday welcomed the German interest rate cuts and one Finance Ministry source called the cut in the official discount rate significant. "There has been speculation in financial markets that Germany will cut interest rates, so the rate cuts are within expectations," said a Finance Ministry source.

Germany's Bundesbank announced Thursday it is lowering its discount rate by half a percentage point to 6.75 percent effective Friday and the Lombard rate to 8.25 percent from 8.50 percent. "I had expected both official discount rate and the Lombard rate to be cut by 0.25 percentage point, so the 0.5 percentage point cut in the official discount rate can be called significant," he said.

A Bank of Japan source said the German rate cuts should help promote global economic growth but indicated that Japan would not follow suit. Asked whether Japan will come under pressure from its Group of Seven partners at the Tokyo summit next week to do more to prop up the domestic economy, the source said, "The summit is not a place for it."

MITI To Study 'Foreign Access Zones' Sites

*OW2506113393 Tokyo KYODO in English 1111 GMT
25 Jun 93*

[Text] Tokyo, June 25 KYODO—The Ministry of International Trade and Industry will examine seven more sites—six harbors and an airport—across Japan on their suitability to be "foreign access zones" aimed at boosting imports, ministry officials said Friday. The sites are Hachinohe Harbor in Aomori Prefecture, Sendai Harbor in Miyagi Prefecture, Niigata Harbor, Yokkaichi Harbor in Mie Prefecture, Okayama airport, Sakai Harbor in Tottori Prefecture and Kagoshima harbor.

The Japan External Trade Organization will conduct feasibility studies at each of the sites. Once approved, facilities to enhance imports will be built in selected areas.

Construction has begun in seven other foreign access zones, including Osaka Minami Harbor, the officials said.

Korean WWII Conscripts Sue for Compensation

*OW3006104393 Tokyo KYODO in English 0956 GMT
30 Jun 93*

[Text] Tokyo, June 30 KYODO—A group of 20 Koreans forced to labor and serve in Japan's military in World War II filed suit Wednesday demanding an apology and compensation from the government. The group includes laborers conscripted to work in coal mines in Fukuoka Prefecture and bereaved family members of soldiers who were forced to serve in the Imperial Japanese Army and died in battle.

The group filed the suit in the Tokyo District Court. It is demanding 760 million yen in compensation. It said that during the war the Japanese Government forced people from the Korean peninsula, then under Japanese colonial rule, to serve in the army or work as auxiliary military personnel.

It charges that the government failed to take compensatory measures for bereaved family members and war wounded, or apologize publication for its actions.

The suit also claimed that the government has a duty to apply the relevant portions of the National Compensation Law and compensate the Koreans. A similar suit was filed by about 1,100 Koreans in February 1992.

Indonesian Minister Addresses Kaidanren Group

BK2606033093 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 26 Jun 93

[Text] Saleh Affif, coordinating minister for economics, finance and industry and development supervision, has expressed optimism that Japan's financial assistance to Indonesia through the CGI [Consultative Group on Indonesia] will not change but will at least remain at last year's level. The amount, which is to be allocated by Japan, has yet to be announced, and will be made through the upcoming CGI meeting to be held in Paris next week.

This was stated by Saleh Affif, coordinating minister for economics, finance and industry and development supervision, after he delivered an address to Kaidanren, the Japanese Economic Federation, in Tokyo yesterday. Saleh Affif has been in Tokyo for the last four days to introduce himself to the Japanese leaders and the country's business circles.

Japan is the largest contributor of loans to Indonesia through the CGI. Last year, Japan's loan to Indonesia amounted to U.S.\$1.32 billion out of total funds of U.S.\$4.9 billion.

Further on Miyazawa Apology, Merging Parties

OW0107120893 Tokyo NHK General Television Network in Japanese 1000 GMT 30 Jun 93

[From "NHK News 7" program]

[Text] The Liberal Democratic Party [LDP], in a meeting of party chapter general secretaries today, admitted the forthcoming House of Representatives' election in July will be the most serious crisis in LDP history.

The LDP confirmed that the party must face the election in pan-party unity. The party meeting then launched a new organization for the election campaign.

The chapter executives' meeting opened with a speech by Prime Minister Kiichi Miyazawa.

[Begin Miyazawa recording] I, the party president, am solely to blame for the fact that many colleagues who worked with us in this political arena for so many years have left. Now, when so many changes are taking place inside and outside the country, it is essential that the nation's politics regain stability. I want to tide over this tough situation, however difficult it may be. [end recording]

Prime Minister Miyazawa called on party chapter executives to do all they can for the party to maintain its

majority in the Diet. His speech was followed by a question-and-answer session, in which some executives charged that the chaotic conditions are so serious that apologies only are not enough. They demanded Prime Minister Miyazawa and his three central party executives assume responsibility, and said that the party must make a new start after changing its leadership. There were also voices demanding that party operations be democratized, for instance, by including younger members in the party General Council.

In reply to such demands, Mr. Miyazawa reaffirmed that he feels his great responsibility and added that he will exert all his power to restore the party's reputation by fighting and winning in the general election. He thus pledged he would stand in the vanguard to lead the election himself.

Following the question-and-answer session, the party inaugurated the Council for LDP Unity Promotion to lead the election campaign in pan-party unity. The council, which held its first meeting immediately, is led by Mr. Miyazawa and is composed of four party executives, heads and general secretaries of party factions, and younger representatives.

The LDP wants the council to lead the election campaign in pan-party unity—thus departing from the past practice of party factions campaigning separately.

Meanwhile, the Democratic Socialist Party [DSP], in its central executive committee meeting today, decided that in the forthcoming House of Representatives' election it should support candidates from the New Life Party [Shinseito] and the Forerunner Party [Shinto Sakigake], in addition to those from the Social Democratic Party of Japan and Komeito.

In the executive committee meeting, the party confirmed the position that it should not bind itself to past practices in the election, in order to give priority to the goal of reorganizing the political world. Given this position, the party will support four candidates from the New Life Party and one candidate from the Forerunner Party—in addition to their own candidates.

The party is also reviewing the possibility of cooperating with the New Japan Party [NJP] in the election. It is likely that the NJP and the DSP will come to agree to support each other's candidates in about 10 districts.

The DSP has already arrived at an agreement with Komeito on supporting each other's candidates in nine electoral districts. The agreement was made public today.

Meanwhile, Mr. Morihiro Hosokawa, head of the NJP, now on a stumping tour, gave a speech in Oita today, and expressed his hope to merge his party and the Forerunner Party—the LDP breakaway group led by Mr. Masayoshi Takemura—into a new political party once the election is completed.

[Begin Hosokawa recording] I think the new political group called the Forerunner Party has the same ideals and policies as ours. The people gathered under the party also appear to have the same tendencies as us. To be honest with you, the two are not engaged yet, but we plan to get engaged and to make a formal announcement in a couple of days. I am hoping that the formal wedding will take place after the election. [end recording]

Mr. Hosokawa thus revealed the intention to actively cooperate with the Forerunner Party in the election and to form a new party by merging the two after the election.

Later in the day, Mr. Hosokawa gave a news conference in Kumamoto Prefecture and formally announced that he would run in the House of Representatives election from Kumamoto No. 1 District.

Business Leaders Agree to Review LDP Support

*OW0107050893 Tokyo KYODO in English 0335 GMT
1 Jul 93*

[Text] Tokyo, July 1 KYODO—Japan's business leaders agreed Thursday to rethink their policy of backing only the governing Liberal Democratic Party (LDP) in view of the Party's weakening hold on power.

The heads of the Nation's four major business lobbies agreed to "consider" the possibility of reviewing the long-standing policy "after seeing progress on political reform and restructuring" following the July 18 general election. The agreement emerged from an emergency meeting held Thursday morning by the four leaders in an effort to keep their ranks from unraveling over the political donation issue.

The Japan Federation of Employers' Associations (Nikkeiren) has caused a rift in Japanese business circles by saying it wants to consider supporting not only the LDP but fledgling parties with potential for assuming power, such as LDP-breakaway Shinseito (Japan Renewal Party) and the Japan New Party (JNP).

Nikkeiren had planned to announce a decision Wednesday, but delayed it at the request of Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), the country's largest lobby.

Hiraiwa has been cautious about extending support to the Nascent groups, sticking to his policy of limiting business donations to the LDP for the time being.

But the leaders apparently hammered out a compromise to maintain their monolithic stance.

The two other major business organizations are the Japan Chamber of Commerce and Industry [Nissho] and the Japan Association of Corporate Executives (Keizai Doyukai).

A statement published after the meeting said, "the relationship between the political and business circles,

including the issue of political donations, has to be reconsidered" as the new parties spring up to challenge the LDP's 38-year rule.

Sendai Mayor To Resign Over Bribery Case

*OW0107044393 Tokyo KYODO in English 0346 GMT
1 Jul 93*

[Text] Sendai, July 1 KYODO—Sendai Mayor Toru Ishii plans to resign to take responsibility for being arrested on suspicion of taking 100 million yen in bribes from four construction firms, aides to the mayor said Thursday. Ishii indicated his intention to resign when he met his lawyer at a detention house in Tokyo, they said.

The Tokyo district public prosecutors office on Tuesday arrested Ishii and eight others, including six executives of the four companies—Shimizu Corp., Hazama Corp., Mitsui Construction Co. and Nishimatsu Construction Corp.

Prosecutors suspect Ishii received 100 million yen in cash from the four companies in April 1992 in return for favors related to a public works project in Sendai, the capital city of Miyagi prefecture in northeastern Japan.

Tokyo To Issue Anticounterfeit Paper Currency

*OW2306122293 Tokyo KYODO in English 1149 GMT
23 Jun 93*

[Text] Tokyo, June 23 KYODO—The Ministry of Finance said Wednesday that Japan will issue new paper money December 1 using a special printing technology to prevent counterfeiting.

Although the designs will be similar at a glance with notes already in circulation, the new bills will bear tiny letters saying "Nippon Ginko" (Bank of Japan) which would be unreadable if copied by a machine. The height of each letter is only 0.25 millimeter.

The ministry will issue new 1,000, 5,000 and 10,000 yen notes. They will completely replace the old-style notes in a couple of years, it said.

Hundreds of counterfeit 10,000 yen bills were found in March and April at automatic money exchange machines at commercial banks and railway stations in the Osaka area.

Mergers, Acquisitions Increase Among Companies

*OW2906131293 Tokyo KYODO in English 1101 GMT
29 Jun 93*

[Text] Tokyo, June 29 KYODO—Mergers and acquisitions between Japanese corporations increased in the first half of 1993 as they moved to cope with the economic slump, a major brokerage house reported Tuesday.

Yamaichi Securities Co. said its survey showed overall mergers and acquisitions involving Japanese firms

decreased 8.5 percent from the same period last year to 226 cases worth 219.5 billion yen, down 38.7 percent in value. But such activities between Japanese companies gained by 12.1 percent to 139 cases, accounting for 61.5 percent of the total, the company said.

Often involved were Shinkin banks or credit associations and agricultural cooperatives ahead of liberalization of financial markets.

Mergers with and acquisitions of foreign enterprises by Japanese companies plunged 29.5 percent to 74, apparently because of the worsening investment environment overseas, particularly in the United States and Europe. Those in the U.S. market came to 29 cases, accounting for about 30 percent of the total and in the Asian-Pacific region remained unchanged at 22, Yamaichi said.

In view of the economic slowdown, the trend is expected to continue in the latter half of the year.

Survey: FY92 Retail Sales Show 'Lowest Growth'

OW2906002393 Tokyo KYODO in English 2339 GMT 28 Jun 93

[Text] Tokyo, June 29 KYODO—Combined sales of Japan's major retailers in fiscal 1992 rose a meager 0.6 percent from the previous year, showing the lowest growth since statistics were taken: the NIHON KEIZAI SHIMBUN said in a survey report Tuesday [29 June].

The survey, the 26th of its kind, covered 500 retailers which had closed their books by the end of April, with 463 able to make a year-to-year sales comparison, the leading economic daily said.

The growth of 0.6 percent represents a sharp setback from a 6.4 percent gain in the previous survey, the economic daily said.

Combined pretax profit of 357 of the retailers plunged 17.9 percent and combined sales of all 500 firms totaled 38,036.9 billion yen, the newspaper said.

Department stores suffered a marked 4.5 percent sales drop in a turnaround from a 2.9 percent rise in the previous survey. Sales growth was slow at 2.0 percent for supermarket chain operators, the daily said.

Convenience stores' combined sales grew 3.5 percent, down 5.1 percentage points from the previous survey, it said.

Six New Sites Picked for Electric Power Plants

OW2906055493 Tokyo KYODO in English 0459 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—The Japanese Government Tuesday gave the go-ahead for six new priority construction projects—all new power plants to help meet increasing energy demands, officials said.

A cabinet meeting on promotion of comprehensive energy policies approved the building sites for one nuclear power plant, two water power stations and three coal-burning power plants, officials of the Ministry of International Trade and Industry said. The approval of a nuclear power plant location was the first since 1986, when two locations were appointed as priority projects, the officials said.

At the same time, the government ended the priority designations of two nuclear power stations, which have begun operations, they said.

There are a total of 25 priority projects designated to produce energy by the government. When finished, they will provide Japan with another 50.9 million kilowatts of electricity, about 28 percent of the 180 million kilowatt demand at the end of 1992, the officials said.

EPA's Takatori Favors Law To Protect Consumers

OW2806103093 Tokyo KYODO in English 0951 GMT 28 Jun 93

[Text] Tokyo, June 28 KYODO—The Economic Planning Agency's [EPA] chief said Monday he is willing to press for a product liability law that would help consumers obtain compensation from makers if faulty products lead to damage or accidents.

EPA Director General Osamu Takatori told a group of experts on consumer affairs that he will try to draft a bill on product liability as a key government advisory panel is to map out a report on the controversial law by the end of this year.

One expert representing a consumers' group told Takatori that his group received many calls from consumers complaining about accidents associated with faulty products and urged a law to be enacted to protect consumers.

Although Japanese companies have built a reputation for quality, the issue of consumer protection through a product liability law has become an issue of public debate. Consumers' groups have been pressing for such a law, but the business community generally opposes it because it could cost manufacturers.

Postal Savings Rates To Increase 30 Jun

OW2906131993 Tokyo KYODO in English 1028 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—In a move apparently aimed at competing with bank deposits, the Ministry of Posts and Telecommunications said Tuesday it will raise rates on some postal savings accounts on Wednesday. The move follows a series of interest rate increases on time deposit accounts offered by commercial banks to lure summer bonus funds and the lifting of government regulations on time deposit rates on June 21.

The postal savings rate raise will affect fixed-amount savings accounts, locally known as "teigaku," and so-called new time savings accounts, the ministry said. It is responsible for the postal savings system.

The ministry will raise the rate on teigaku accounts of one year and longer by 0.06 percentage point, bringing those of three years and longer to 3.70 percent per annum. The rate on three-year new time savings accounts will be raised by 0.1 point to 3.90 percent.

Teigaku accounts carry semiannually compounded rates and can be canceled any time after six months and remain in deposit for up to 10 years.

North Korea

Daily: South's Hwang In-song 'Fascist'

SK0107095593 Pyongyang Korean Central
Broadcasting Network in Korean 0947 GMT 30 Jun 93

[NODONG SINMUN 30 Jun article: "Criminal Act by Fascist Element Under the Cloak of Civilian Regime"]

[Text] The current South Korean regime which has been propagandizing a civilian rule is taking the road of fascism with each passing day. The great leader Comrade Kim Il-song has taught:

The South Korean authorities have deprived the people of even their basic freedom and rights and are suppressing them mercilessly.

Freely spitting outrageous, fascist words from their mouths which have propagandized civilian rule, the South Korean authorities are frantically oppressing patriotic reunification forces. Prime Minister Hwang In-song's words and deeds prove this.

Upon taking office as the Chief Executive and showing up in the National Assembly, he said that his government would not abolish the National Security Law before the North decisively changes its attitude. He also said that the 12 December military coup d'etat for a purge in the army was not illegal and that his government could not accept the demand calling for holding of a hearing on irregularities of the sixth republic.

Earlier, he found fault with our nonexistent nuclear issue and said that resolving the nuclear issue is a precondition for improving North-South relations. He did not hesitate to make awkward remarks insulting the Kwangju people's uprising. This is not all. When youths and students held the first talks of the National Alliance of Youths and Students' [Pomchonghaknyon] cochairmen via international telephone, Prime Minister Hwang branded this as illegal and gave a series of directives to suppress it. When students of the National League of College Student Organization's [Hanchongnyon] attempted to conduct dialogue with university students in the North, he blocked it saying that his government could not allow

any kind of North-South contact. On the occasion of the Ulchi-93, he even inspired a zeal for war against fellow countrymen.

His repeated fascist words and deeds fed the South Korean people's frenzy. Defining the current regime as a fascist civilian regime under the cloak of a civilian regime, South Korean opposition party's figures and people strongly demanded that he immediately be relieved from premiership.

He must absolve himself from the military fascist dictatorial force that is stained with indelible criminal records as a prerequisite to genuine civilian politics. Hwang In-song, however, is openly taking them under his wings and defending the string of military dictators. He is also devoting himself to fascist oppression just as the dictators did and taking the lead in inspiring North-South confrontation.

The 12 December coup d'etat which he defined as a legal one in the National Assembly was an act to usurp the power, which military hooligans including Chon Tu-hwan and No Tae-u perpetrated under the U.S. imperialists' behind-the-scene manipulation. Democratization which began to bud in South Korea was hard hit by the coup d'etat. The coup d'etat was followed by the tragedy of the Kwangju massacre and the dictatorial regime of the fifth republic which set an unprecedented record of fascist dictatorial rule.

In his memoir entitled "Traitors Should Be Investigated," Chang Tae-wan, then commander of the Army Capital Garrison Command, revealed that the 12 December coup d'etat was a military revolt which some 10 military generals staged by mobilizing armed troops. The U.S. daily NEW YORK TIMES said that it was an unprecedented scramble for hegemony in the history of the Armed Forces.

By defining 12 December coup d'etat, whose truth was clarified, as a legal one, Hwang In-song is but taking military hooligans under his wing and defending them impudently. He flatly rejected public disclosure of former presidents' assets and the hearing on the sixth republic, which the South Korean people had unanimously demanded. This also means that he is trying to defend the fifth and sixth republics. He himself revealed through this rejection that he is a servant of military dictators.

Hwang In-song made our nonexistent nuclear issue a precondition for improving North-South relations. This is also an act of a traitor who has turned his back on the nation.

The nuclear issue on the Korean peninsula was brought about when U.S. nuclear weapons were brought into South Korea against our Republic and the nuclear threat was imposed on us. The North's so-called nuclear issue is fiction fabricated by international reactionary forces in a bid to stifle our Republic, the fortress of socialism. For him to attempt to fix North-South relations in a state of

acute confrontation under the pretext of the nuclear issue according to what others say is an intolerable, antinational, malicious, criminal act that harms fellow countrymen by relying on outside forces.

Hwang In-song's remarks that his government could not scrap the National Security Law defining fellow countrymen as enemies also reveal that he is a national traitor who has no will to realize national unity and peaceful reunification.

Hwang In-song, openly unsheathing a sword, stood at the forefront of barbarously oppressing the people for some months since he took office just as preceding regimes had. On the occasion of the 13th anniversary of the Kwangju people's uprising, he mobilized some 600 companies or some 100,000 riot policemen and had them conduct a bloody suppression on patriotic youths and students in South Korea.

After labeling the struggle of university students to realize the 12 June North-South youth and students talks illegal, Hwang In-song mobilized police, turned campuses into a chaotic scene, and blocked them from heading for Panmunjom. He was also intent on making the commotion of arresting patriotic students such as the Hanchongnyon chairman. This reveals that he is a man habituated to fascism just like the dictators of the fifth and sixth republics who frantically practiced sinister plots to suppress and stifle the very roots of the student movement.

An opposition party figure denounced the authorities' brutal suppression of the righteous struggle of youths and students which proves that the current regime is a phoney civilian regime which inherited the military dictatorial regime's oppressive politics.

Hwang In-song's fascist words and deeds are never accidental but stem from his true color habituated to fascism.

The course of Hwang In-song ascent to the position of Chief Executive reveals that he began to form his power foundation during the periods of the Yusin dictatorial rule and the fifth and sixth republics' rule, which are notorious for domineering fascism. He was a faithful dog to the military dictatorial regime, graduating from the Military Academy to be promoted up to major general.

Thanks to the special favor of the Yusin dictator, Pak Chong-hui, he served as provincial governor and transportation minister. During the fifth republic's period, he became an assemblyman and through Chon Tu-hwan's favor, agriculture, forestry, and fishery minister. During the sixth republic's period, he was promoted up to the position of chairman of the Democratic Liberal Party's Policy Planning Committee.

As all of these facts show, Hwang In-song promotion to prime minister was through nurturing by the Yusin and the fifth and sixth republics dictatorial regimes.

South Korean TONG-A ILBO said some time ago that Hwang In-song, the present prime minister, was by all means, a man of old era. It added: "Hwang In-song is a former military official, Army major general, and has consistently stood in sunlight for over 30 years since the 16 May military coup d'etat. Standing in the sunlight means that he was under the wings of the military fascist dictators of the Yusin and the fifth and sixth republics. As he is such a man, he is serving as the prime minister under the cloak of the civilian regime. He, however, is laying bare his true fascist colors and nature with each passing day.

Just as water flows to where it is supposed to flow, man is obliged to receive his reward in accordance with his sin. Hwang In-song cannot avoid the severe judgment of history and the people because of his antinational, anti-people, and antireunification crimes which he is perpetrating as the prime minister of a regime cloaked as a civilian one.

KCNA: ROK Farmer's Group Opposes Clinton Visit

SK0107050893 Pyongyang KCNA in English 0409 GMT 1 Jul 93

[Text] Pyongyang, July 1 (KCNA)—The National Federation of Farmers' Associations (Chonnong) in a press interview on June 29 opposed the South Korean tour of the U.S. president who is demanding rice market opening, according to a radio report from Seoul.

Chonnong held that the "new agricultural policy" of the authorities must be totally revised.

Chonnong declared that it would hold meetings against Clinton's trip to South Korea in Seoul and some 100 other places of South Korea.

Trade Union Delegation Returns From China

SK0107103893 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 29 Jun 93

[Text] A DPRK trade union delegation led by Kim Kuk-sam, vice chairman of the General Federation of Trade Unions of Korea [GFTUK] Central Committee, returned home by plane on 29 June after winding up its visit to China.

Yi Chin-su, vice chairman of the GFTUK Central Committee, met the delegation at the airport.

Higher Party School Group Returns From China

SK0107103793 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 29 Jun 93

[Text] A Kim Il-song Higher Party School delegation led by Vice President Yi Su-kun returned home by plane on 29 June after winding up its visit to China.

U Tal-ho, vice president of Kim Il-song Higher Party School, met the delegation at the airport.

Foreign Minister Meets New Bulgarian Envoy

*SK0107050093 Pyongyang KCNA in English 0403
GMT 1 Jul 93*

[Text] Pyongyang, July 1 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam met and conversed with Yordan Mutaftchiev, newly-appointed ambassador e.p. [extraordinary and plenipotentiary] of the Republic of Bulgaria to Korea, when the latter paid a courtesy call on him on June 30.

KCNA Observes Miners' Day, Production Increases

*SK3006234993 Pyongyang KCNA in English 1510
GMT 30 Jun 93*

[Text] Pyongyang, June 30 (KCNA)—July 1 is Miners' Day in Korea.

On the threshold of the day the miners of the Komdok mining complex have reported remarkable achievements in production.

Having set themselves the goal of creating 40 odd additional promising cutting faces by the 40th anniversary of the victory in the Fatherland Liberation War (July 27), they have created some 20 cutting faces. The building of others has entered the finishing stage.

Thus the cutting capacity will increase by millions of tons in the near future, opening up a definite prospect for a radical increase of nonferrous metal ore production.

The complex is the most promising lead and zinc ore producer of the country.

The dear leader Comrade Kim Chong-il gave on-the-spot guidance to this mine on July 1, 1975 and spread a bright vista before the complex.

The state observes this day as Miners' Day every year.

KCNA Reviews 1 Jul Pyongyang Press

*SK0107051193 Pyongyang KCNA in English 0425
GMT 1 Jul 93*

[Press review]

[Text] Pyongyang, July 1 (KCNA)—Papers here today frontpage messages of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Burundian President Melchior Ndadaye and Rwandan President Juvenal Habyarimana on the 31st anniversary of the independence of their countries.

Conveyed in NODONG SINMUN are world public voices highly praising the great leader President Kim Il-song as ever-victorious iron-willed brilliant commander.

According to papers, works of President Kim Il-song and Comrade Kim Chong-il have been disseminated and studied in foreign countries.

Papers carry articles telling that the dear leader Comrade Kim Chong-il visited the Komdok Mining Complex on July 1, 1975, to kindle the torchlight of the three-revolution red flag movement.

Appearing in NODONG SINMUN is a message of greetings sent by the C.C., the Workers' Party of Korea to Chuan Ramos upon his reelection as general secretary of the Communist Party of the Peoples of Spain.

NODONG SINMUN editorially calls for glorifying the Korean society as a great harmonious and united family.

MINJU CHOSON comes out with an article headlined "Our Party's Chuche-based Theory of Socialist Economic Management Is Unique One Centred on People."

Highlighted in the press are reports about the fulfilment of the first half year assignments in different domains of the national economy on the threshold of the 40th anniversary of the victory in the fatherland liberation war.

Papers observe Miners' Day.

The press informs the readers that the new Korean ambassador to the Sudan presented credentials to the president of the Command Council of the National Salvation Revolution of the Sudan, the Angolan president and the Madagascan prime minister met Korean ambassadors to their countries and the Mozambican president received the members of the Korean agro-technical cooperation group.

The U.S. imperialists have further intensified aerial espionage on the northern half of Korea, says the press.

In a semi-monthly review of the South Korean situation NODONG SINMUN denounces the present ruling forces of South Korea for casting away even the signboard of "civilian government" and more openly resorting to fascism, treachery, confrontation and belligerent and separatist moves.

Papers convey world public voices expressing support and solidarity for the 10-point programme of the great unity of the whole nation and the Korean people's cause of national reunification.

Printed in NODONG SINMUN is a testimony of Korean woman Chang Su-wol, a former "comfort woman for the army" drafted by Japan, at the Asian forum of the World Human Rights Conference on Japan's war crimes in army sex slavery and the unsettled problem of "comfort women" in Asia which was held in Vienna.

It is reported in the press that the first session of the fourth National Assembly of people's power of Cuba opened, Samdech Norodom Sihanouk spoke of the Democratic Cambodia side's rights to activities, the Indonesian president called for unity of the party, the Mozambican president warned against the dependence on foreign assistance and the Senegalese president stressed the need of Africa-Arab cooperation.

NODONG SINMUN introduces the developing steel industry of China.

The 20th anniversary of the opening of diplomatic relations between Korea and Malaysia was commemorated in Pyongyang, reports the press.

Papers observe the 31st anniversary of the independence of Burundi and Rwanda.

South Korea

DPRK Pushes for Trade Contract for Oil, Grain

SK0107062593 Seoul CHUNGANG ILBO in Korean
1 Jul 93 p 2

[Text] It was learned on 1 July that North Korea is pushing ahead with a trade contract for oil, grain and nonferrous metals with the (Mackrige) Company, a world-renowned, Jewish trade firm. The (Mackrige) Company is a multinational corporation with its headquarters in Paris and Geneva. Its trade deals with grain, oil and nonferrous metals. When North Korea officially concludes a contract with this firm, it will likely be able to resolve its serious oil and food problems. In addition, this will affect the northward strategy [of the South].

Government analysts observe that the (Mackrige) Company, being a Jewish firm, was closely involved in a series of negotiations between North Korea and Israel including their 25 June contact in Beijing. The relevant government authorities and business officials revealed that a (Mackrige) trade delegation composed of its high-ranking officials secretly visited Pyongyang in early May and held negotiations with the North Korean side on supplying oil, grain and so forth.

A government official said that during the negotiations, the two sides discussed barter transactions that envision (Mackrige's) supplying grain and oil to North Korea while North Korea will offer gold, uranium, magnesite and other nonferrous metals. This official added that in view of (Mackrige's) world-wide transaction volume of oil and grain, the government's policy toward North Korea, including the policy of linking the nuclear issue with economic cooperation, will need to be inevitably readjusted. He said that "in the event that North Korea gains a satisfactory outcome from these negotiations, it is likely that North Korea would have a negative attitude toward North-South economic cooperation."

Minister: 1-2 Month 'Deadline' on DPRK Issue

SK3006135693 Seoul YONHAP in English 1344 GMT
30 Jun 93

[Text] Seoul, June 30 (YONHAP)—North Korea has no choice but to accept inter-Korean dialogue because it is a prerequisite to relations improvement with the United States, Foreign Minister Han Sung-chu said Wednesday. "The leverage on North Korea to come to the inter-Korean negotiation table is weak at the moment because

Washington's only demand at last talks with Pyongyang was its stay in the Nuclear Nonproliferation Treaty (NPT)," said Han.

North Korea, after a surprise proposal to exchange presidential envoys so that the nuclear question can be discussed at an inter-Korean summit, withdrew the proposal earlier this month when South Korean insisted first on working-level negotiations strictly on the nuclear question. "But North Korea cannot but return to the table if it wants to improve ties with the United States. This is a clear U.S. position set from years ago, and Washington is firmly bound to this position," he said at Kwanhun Club, a fraternity of senior journalists.

"I am not being optimistic but realistic," he said about his predictions. Long and exhaustive the situation may be, this process is necessary to build all the available justification for strong actions against North Korean whenever called for, said Han.

With Pyongyang and Washington set to begin second round of negotiations July 14, there is a "one to two month deadline" on when North Korea's nuclear situation must be resolved, said Han. If the talks fail, the U.N. Security Council will readdress the problem, and a stringent resolution will be passed, he said.

"IAEA's inspection demand on two undeclared sites is to check on North Korea's past nuclear activities... But there is a chance that Pyongyang is advancing its nuclear development with plutonium it already produced and stored." "The situation will not pass beyond one to two month," he said.

Next Pyongyang-Washington high-level talks will focus on getting access to the two undeclared sites, and Seoul did consider allowing the IAEA to conduct simultaneous inspection on both South and North Korea as a face-saving measure for Pyongyang, according to the foreign minister. North Korea, refusing to believe that Washington pulled out all of its tactical weapons from its bases in South Korea, demands to see for itself the American military installations.

"We did consider the possibility on condition that North Korea makes the demand in exchange for access to the two undeclared sites." "But it was just that, a consideration. There is no agreement among involved parties," he said.

Daily: Unification Policymakers' Views Differ

SK2706111793 Seoul CHUNGANG ILBO in Korean
27 Jun 93 p 2

[Article by correspondent Pak Ui-chun: "Differences in Views Among Four Persons in Charge of Security Affairs"]

[Text] The team in charge of reunification affairs was "squeaking" in the past over the direction of policies toward the North after North Korea announced the

withholding of its withdrawal from the Nuclear Nonproliferation Treaty [NPT] on 11 June. However, the team has finalized adjustment to its policies to favor a "hard line for phased sanctions" against North Korea concerning its nuclear issue.

The team showed internal discord over its policy toward the North, and made different assessments of U.S.-North Korean high-level talks. Some of the team members expressed discontent with the talks, claiming that the "U.S.-North Korean agreement was the U.S. side's unilateral concession." The hard line, therefore, seemed to hold the upper hand at first within the team.

However, Foreign Minister Han Sung-chu emphasized that North Korea's withholding of its withdrawal from the NPT has, in fact, the same effect of revocation [cholhoe], and the possibility of North Korea's reversing its decision of withholding withdrawal is very slim. Following this, Chong Chong-uk, senior presidential assistant for security and foreign affairs, confirmed that Minister Han's judgment was correct while visiting the United States. As a result, Minister Han's view is likely to be accepted.

In particular, in a seminar arranged by Korea University's Anam Political Affairs Society on 26 June, Minister Han said that "there are many people in our society who still negatively view U.S.-North Korean dialogue itself." He, therefore, implicitly criticized those who underestimate North Korea's withholding of withdrawal from the NPT.

Since President Kim Yong-sam expressed discontent with U.S.-North Korean high-level talks in an interview with the British Broadcasting Corporation [BBC] television on 25 June, discord has apparently taken place among pertinent government offices. However, when considering that his telerecording was made on 17 June before government offices had "put their views in harmony," it seems that there is no serious confusion among them.

In fact, Vice Prime Minister and Unification Minister Han Wan-sang; Foreign Minister Han Sung-chu; Director of Agency for National Security Planning [NSP] Kim Tok, and senior presidential assistant for security and foreign affairs Chong Chong-uk, who are called "four scholar-turned government officials" in charge of foreign affairs and security, were divided into two in the past over the policies toward North Korea. They showed delicate differences in their positions.

Vice Prime Minister Han, described as an "emotional progressive," and Foreign Minister Han, described as a "moderate progressive," stressed the need for flexibility in method while firmly maintaining the principle of policies toward North Korea. The two seemed to have the position of favoring acceptance of the proposal for the exchange of special envoys.

However, NSP Director Kim, described as an "NSP-oriented conservative," and senior presidential assistant

Chong, described as a "moderate centrist," were not impressed with North Korea's decision to withhold withdrawal from the NPT, and adhered to the principle of calling for discussion of the nuclear issue first in North-South dialogue.

Emphatically pointing to the skeptical views on the result of U.S.-North Korea talks that are spreading both in ruling and opposition circles in the United States, Director Kim and Assistant Chong "applied the brakes" on the appeasement policy toward the North advanced by Vice Prime Minister Han and Foreign Minister Han.

In the meantime, a unification-related ministers' meeting was held on 22 June in order to "put in harmony" the government position toward North Korea's proposal for holding a working-level contact on 24 June for the exchange of special envoys. During this meeting, the two sides, which ran nearly parallel to each other, found some points of mutual agreement.

Concerning the North's proposal for the exchange of special envoys, Vice Prime Minister Han's position became very difficult. Thus, he remained silent for almost the whole meeting while Foreign Minister Han emphasized the need for North-South dialogue.

Under this situation, ROK Ambassador to the United States Han Sung-su sent a telegram stating that "dialogue with North Korea is important" and "North Korea's withholding of withdrawal from NPT can be an interim process in resolving the nuclear issue." As a result, the atmosphere of the meeting turned in the reverse direction [panjon sikida] and disputes that lasted for 10 days came to a momentary settlement.

However, since North Korea revoked its proposal for the exchange of special envoys on 26 June, North-South dialogue appears to be in a very difficult position. Under this situation, people are paying keen attention to what northward policies will be put forward by the unification-affairs team whose "colors" noticeably differ from one other.

Daily Sees Change in Kim's Stance Toward North
SK2906033093 Seoul THE KOREA TIMES in English
29 Jun 93 p 2

[Text] For the time being, there may be no dialogue between South and North Korea as North Korea has withdrawn its own proposal to exchange high emissaries to prepare for a first-ever inter-Korea summit meeting. People are simply baffled at the current situation because it was President Kim Yong-sam who nurtured a kind of fancy dream that something might happen in relations between the South and the North.

Upon returning from a short trip to Russia in 1991, Kim blurted out, "You need not worry about the threat from the North. You can live free of worry." As the executive chairman of the ruling democratic Liberal Party led by then president No Tae-u, Kim had a literally brief

encounter with Gorbachev. What assurances he was given by Gorbachev remain unclear, however.

There were not many people who put much stock in his remarks because they were off beat. Thereafter, Kim managed to get nominated as the presidential candidate and cruised on to capture the presidency.

In his inaugural address on Feb. 25, he sent a strong message of reconciliation to North Korea. He said, "I value the importance of foreign allies. Still, they can't equal our brethren," he said.

The remarks are enough to strike a chord of nationalistic fervor. In fact, many progressive forces, who put the value of national reunification above anything else, were moved by the rhetoric.

And lot of people, who were billed dissidents during the former military regimes, began to join Kim's camp. Some of them are in responsible positions in the Kim's administration. A good example is Unification Minister Han Wan-sang. He was expelled from Seoul National University twice.

Speaking at the opening session of the Pacific Basin Economic Council on May 24, he said he would pursue a kind of confederation between South and North Korea during his five-year term. These remarks combined to lead the people into thinking he was approaching the South-North problem from a new perspective. But President Kim has shown signs of changing now, faced with the hurdle of the nuclear issue.

In a press conference marking his 100th day in office on June 3, he said he could not shake hands with North Korea as long as it possesses nuclear weapons. It was a bit different from the position the government had taken in its policy coordination with the United States. The government maintained a rather softer position when the United States was drumming up international support for taking whatever sanctions needed to foil North Korea's nuclear weapons program.

Wary of the possibility of a military conflict on the Korean peninsula, the government tried to get around U.N. sanctions. In the meetings between the United States and North Korea on the nuclear issue, the United States softened up rather than pressing straight forward, changing its hard-line position.

Professor-turned Foreign Minister Han Sung-chu evaluated positively the outcome of the meetings. But President Kim's evaluation was different. He said he was dissatisfied because the United States had made too many concessions. In his interview with the BBC, he said the United States should not make any more concessions in forthcoming meetings with North Korea.

In the interview, Kim charged in plain terms that North Korea was using delaying tactics by temporarily suspending its decision to pull out of the Nuclear Nonproliferation Treaty. Leaving aside the question of whether

this was an impulsive statement or not, President Kim's perceptions of North Korea are beginning to change.

DPRK Port Opened to ROK, Japanese Vessels

SK2806041593 Seoul YONHAP in English 0233 GMT 28 Jun 93

[Text] Beijing, June 28 (YONHAP)—An agreement between Provinces in China and North Korea has opened the way for South Korean-flag vessels to freely use North Korea's Chongjin port, officials said Monday.

The agreement, signed June 16 between Gongjiao Trade Corp. of Yanji City in the self-autonomous state of Yanbian (for ethnic Koreans) and North Korean's Hamgyong Provincial Administrative and Economic Guidance Committee, allows use of Chongjin port by vessels up to 200,000 tons from South Korea, China, Japan and Russia, they said.

The officials said the agreement seems to reflect North Korea's moves toward economic openness similar to Chinese policies. North Korea has a plan to expand its oil refineries at Chongjin in a joint investment with Gongjiao, according to the officials. North Korea would put in approximately 15 billion won (18.7 million U.S. dollars) to enlarge the facilities from the current 80-ton refining capacity to 250 tons to 300 tons by 1995, they said.

Foreign Minister: 1993 Summit With Japan 'Likely'

SK3006130893 Seoul YONHAP in English 1247 GMT 30 Jun 93

[Text] Seoul, June 30 (YONHAP)—A South Korea-Japan summit is likely within this year in addition the Seoul-Washington summit, Foreign Minister Han Sung-chu said Wednesday. "There is a possibility that President Kim Yong-sam will visit some of the four neighboring superpowers separately from the U.N. conference and maybe group summit at the Asia-Pacific Economic Cooperation (APEC)," Han said at question and answer session at Kwanhun Club, fraternity of senior journalists.

U.S. President Bill Clinton visits Seoul July 10-11, and Kim would naturally return the visit, Han said. The Washington trip is expected to be timed with Kim's attendance at the U.N. General Assembly in September. "Considering the diplomatic [as received] and proximity, we can expect a South Korea-Japan summit, although it is yet unclear whether President Kim will make or receive the visit," he said.

Army Probes Japanese Journalist's DPRK Ties

SK0107104393 Seoul YONHAP in English 1026 GMT 1 Jul 93

[Text] Seoul, July 1 (YONHAP)—The Defense Security Command's investigation of a Japanese journalist

involved in the leak of military secrets, is now focused on whether he passed classified information to North Korea or collected military information in linkage with North Korea. Defense Ministry spokesman Kim Yong-chol said on Thursday afternoon that if Masato Shinohara, Seoul Bureau chief of Japan's Fuji Television, had passed military secrets to North Korea or otherwise served North Korea with the information he obtained, it would be a grave matter linked directly to national security.

Shinohara visited North Korea in July 1987 and again in January 1991 to cover visiting Japanese officials.

"During his first visit, he met former North Korean Foreign Minister Ho Dam at an official event and during the second time Vice Foreign Minister Chon In-chol," said the spokesman.

Shinohara claims there were no private activities during his stay in Pyongyang because of tight control by North Korean guides, said the spokesman, adding that the Defense Security Command, nonetheless, is trying to determine if he didn't make some seditious activities in the North.

Spokesman Kim said that in addition to obtaining classified materials from a Korean naval officer, Shinohara acquired military-related materials from U.S. military installations in Korea.

The Japanese pressman obtained various information materials from the information offices of the Eighth U.S. Army, Seventh U.S. Air Force and the U.S. Army 2nd division from June 1989 through last May.

The items he got included a copy of "DEFENSE" published by the U.S. Defense Department and the "revised organizational chart of the Second Division," he said.

Once at the information office of the Seventh U.S. Air Force at Osan, he was briefed on the organization and function of the Seventh Air Force, which he took down, the spokesman said.

Kim said investigators will consult with U.S. military authorities to determine if these items constitute classified information, and will deal with the Japanese based on finding.

"Mr. Shinohara often met two military officers and a Defense Ministry civilian in addition to Lt. Cmdr. Ko Yong-chol. But, those other than Ko were so far found not to have passed any classified information to the Japanese," spokesman Kim said.

Article Views Consequences of Leaks

SK2806094693 Seoul TONG-A ILBO in Korean
27 Jun 93 p 2

[Article by correspondents Kim Chae-hong and Ha Chun-ued: "Surrounding Countries Can Use the Military Secrets That Have Been Leaked to Their Advantage"]

[Text] The leaking of class-B military secrets by a lieutenant commander belonging to the Defense Intelligence Agency to a Japanese news agency correspondent in Seoul sets off alarms for the senior military officers who have been in touch with figures from surrounding countries, which are greatly interested in our military strength.

Because in-depth information, ranging from the personal background of ROK Army generals to the ROK Army's weapons systems, has been carried from time to time in Japanese magazines, military circles have been concerned about the information going beyond the releasable limit.

When the new military group suddenly emerged as power holders after the 12 December coup in 1980, Japanese magazines allocated many pages to the genealogy of the key generals, their personal history, temperament, etc. The Japanese magazines sometimes carried more in-depth personnel information than local papers and magazines. When the local mass media were unable to cover the news satisfactorily because of the military secret protection law, foreign correspondents wrote about sensitive ROK military information under big headlines using their contacts with high-level senior military officers.

It is quite natural that foreigners should be interested in the genealogy of Army generals given the fact that our political power has been in the hands of the real power holders in the military, but we should be cautious about their interest in our weapons systems and troop management because that information can be used by countries that pose a military threat to us.

In particular, the documents that Lieutenant Commander Ko Yong-chol, who has been arrested by the Defense Security Command, handed over to Japanese Fuji TV correspondent Masato Shinohara contained data on the building up of military strength during and after the reunification process. A Defense Ministry official says that this could be regarded as aiding the enemy or even espionage.

A high-ranking Defense Ministry official said: When information of this nature finds its way to Japan, it will give leverage to the advocates of a Japanese arms buildup. In particular, the defense authorities in the surrounding countries are deeply interested in ROK senior military officers' plans for building up military strength after reunification on the Korean peninsula.

In any country, the coverage of information about the country's national defense is the most difficult and requires expertise. In our case, the military discipline law rigorously prohibits leaking information about army generals, the organization of the armed forces, and locations of army units, but the law is very loose about military policy and strategy.

Sinohara has often contributed to the Japanese monthly military journal "MILITARY RESEARCH" articles about the military situation on the Korean peninsula and on ROK-U.S. military cooperation.

He contributed to the April issue of the journal an article entitled "North Korea Is Being Cornered, Is Armed Invasion the Last Resort?—To Bring Reunification in 1995 With Guns and Bayonets." He then contributed to the May issue of the journal another article entitled "North Korea Which Withdraws from the Nuclear Non-proliferation Treaty and the ROK Reaction—Changing the ROK-U.S. Joint Cooperative Posture."

In the April issue, he disclosed the contents which are to be regarded as military secrets reading: Anti-aircraft batteries have recently been strengthened in the area which the Seoul Capital Defense Command is in charge of. Mistral, a new model surface-to-air missile, has been deployed and the batteries position has been strengthened.

He also said in his article: "The Nike and Hawk missiles were transferred from the Army to the Air Force beginning 1 July 1991. The Defense authorities predictions of North Korean policies are as follows... as for the North Korean policy toward the South, North Korea will closely watch the advent of the Seventh Republic and pursue dialogue in parallel with underground operations, and concentrate on leading the situation to the maturity of the revolutionary environment," thus listing the items that belong to military secrets. The article even mentioned the contents of the North Korean propaganda loudspeaker broadcast exchanged between the ROK 15th Division and the North Korean 25th Division.

In the May issue, Shinohara said, "The ROK is operating 12 RF-4C reconnaissance planes in its Suwon base, and their major mission is a reconnaissance flight along the truce line." He went on to say, "The most modern equipment of the U.S. 2d Infantry Division is the M2A2 infantry combat car. Thirty of these cars arrived in Camp Casey, Tongduchon, on 30 July 1991. It has been planned that a total of 155 of these cars will be introduced." Therefore, the Shinohara article gives a fairly detailed account of the types and scale of weapons which the ROK and the U.S. forces have.

Another Defense Ministry official said, "Although the information of this nature might not be a secret in Japan, it is an important military secret in the ROK which is in a state of confrontation with the North."

Exports to U.S., EC, Japan Decline for 5th Year

*SK0107030593 Seoul YONHAP in English 0228 GMT
1 Jul 93*

[Text] Seoul, July 1 (YONHAP)—South Korean exports to three major markets—the United States, Japan and the European Community—have declined for straight five years, the Korea Foreign Trade Association (KFTA) officials said Thursday. In January-May, exports to the three regions as a group hit 15.09 billion U.S. dollars, down 1.7 percent from 15.35 billion dollars of the same period a year earlier.

Exports to the United States, however, rose to 7.35 billion dollars, up 4.8 percent from 7.02 billion dollars a year earlier. It was the first rise in South Korean exports to the United States since 1988. Exports to Japan totaled 4.29 billion dollars, down 6.6 percent from 4.60 billion dollars despite the rising value of Japanese currency yen. Exports to the EC posted 3.43 billion dollars, down 7.9 percent from 3.73 billion dollars.

In 1988, exports to the three regions reached 41.56 billion dollars, up 24.4 percent from 1987. But since then, the exports dropped to 41.51 billion dollars in 1989, 40.87 billion dollars in 1990, 40.64 billion dollars in 1991 and 38.92 billion dollars in 1992. The declines were caused basically by low competitiveness of South Korean goods and business slowdowns in Japan and the EC, KFTA officials said.

PRC Requests Economic Cooperation Fund Loans

*SK0107062693 Seoul YONHAP in English 0524 GMT
1 Jul 93*

[Text] Seoul, July 1 (YONHAP)—China has recently asked South Korea for 320 million U.S. dollars from the Economic Development Cooperation Fund (EDCF) to help finance 20 industrial projects, a high-ranking Foreign Ministry official said Thursday. The Seoul government will discuss the matter before a visit by Liu Zhicheng, director of the department for foreign loans at the Chinese Foreign Economic Relations and Trade Ministry, early next month, the official said.

It decided to include China in its economic cooperation fund for developing countries this year and notified the decision to the Beijing Embassy here, he said. Investment will be settled after a screening by the export-import Bank of Korea based on the list of projects filed by Beijing.

"We cannot accept all Beijing request but will select some projects for support after considering their advantages on advancement to China by Korean companies and our EDCF budget," he said. Seoul has been offering long-term loans with deferred payment periods of five, seven, 20, or 25 years and low interests of 2.5 to 5 percent to developing countries to help them carry out their economic and social infrastructure programs.

Since it launched the grant-in-aid in 1987, Korea has raised 450 million dollars, of which 300 million dollars have already been committed. The government decided to extend EDCF to China in view of the fact that other advanced countries were offering special loans to the country, he explained.

The decision precedes the first anniversary of normalization of ties between the two countries, which is on Aug. 24. The extension of EDCF is likely to be more than 100 million dollars, much higher than the ceiling of 50 million dollars in EDCF extension so far.

China has sought Korean loans worth 172.6 million dollars on nine projects, including a 64.85 million-dollar road construction project in Shandong Province. It asked for another 150 million dollars on 11 projects on Monday. The Foreign Ministry applied for additional reserve of 180 billion won (224 million dollars) on the 1994 EDCF budget, but the Economic Planning Board says it can allow only 20 billion won because of tight-money situation, the official said in explanation of the difficulty of fully meeting China's request.

Aerospace Institute Signs Agreement With PRC

*SK0107070993 Seoul YONHAP in English 0647 GMT
1 Jul 93*

[Text] Seoul, July 1 (YONHAP)—The Korea aerospace research institute and the research institute of space technology of China signed a memorandum of understanding on aerospace technology cooperation Thursday. Korean Science Minister Kim Si-chung and China Aerospace Corp. President Liu Jiyan attended the signing ceremony. Liu and other 11 executives of the research institute, a think tank of the China Aerospace Corp., arrived here Monday at Kim's invitation.

The two institutes agreed to each set up cooperation channels to exchange space technology and related information and boost cooperation in aerospace industry between the two countries. They will exchange satellite designers to get started on the research on a low-orbit satellite, discussed during the Asia-Pacific meeting on space development.

The two decided to meet regularly every year for efficient execution of their agreement. Korea hopes to develop its space industry with the help of China's technology help on the production of satellite and rockets and other aerospace know-how, an institute official said.

Seoul To Allow PRC Tourists To Visit in Groups

*SK0107030693 Seoul YONHAP in English 0206 GMT
1 Jul 93*

[Text] Seoul, July 1 (YONHAP)—The South Korean Government began to allow group tourists from China to visit South Korea from Thursday as part of its effort to attract more foreign visitors during the Taejon International Exposition and the Visit-Korea year in 1994.

Individual entry by Chinese tourists will continue to be banned, Justice Ministry officials said.

The government had banned Chinese tourists from visiting South Korea even after it established diplomatic relations with Beijing last year. But it has permitted the Chinese to visit on business.

The Chinese who want to visit here in groups will be required to send lists of their names to the South Korean Justice Ministry through tourist agencies designated by the Transportation Ministry to get certificates confirming invitations by those tourist agencies. They will be asked to submit the certificates to the Korean missions in China and get 15-day visas.

Agreement Reached With EC on Liquor Tax Reductions

*SK0107023293 Seoul YONHAP in English 0131 GMT
1 Jul 93*

[Text] Brussels, June 30 (YONHAP)—South Korea and the European Community agreed on a set of liquor tax reductions and upgrading of dialogue channel at their annual monitoring session here Wednesday. The two sides also agreed on signing a framework pact that would widen the current trade-based relations to political cooperation and to form a "wisemen club" among opinion leaders.

The liquor tax agreement would bring down the rates on European whiskey from the current 150 percent to 120 percent in 1994 and to 100 percent in 1996. Tax on South Korean-brand whiskey would go up from 80 percent to 100 percent and a 10 percent tariff will be levied on South Korean soju from next year.

Seoul already agreed to lower taxes on gin, rum and vodka from 40 percent to 20 percent by 1996 and agreed at this year's monitoring session to include liqueur and non-grape brandy to the agreement. On retroactive intellectual property protection, the two sides will make a package agreement on all items that were pending but not on the exchanged list for retroactive protection.

As part of relations upgrading, the monitoring session led by assistant foreign minister-level officials will now be called high-level consultations, and foreign ministers' talks will now be called the ministerial meeting. The EC side registered concerns at unbalanced automobile trade where South Korea's export was growing but import from Europe continuously declining. It complained about Seoul's diminishing textile import from EC and warned against any restrictive measures. The Seoul side, in turn, asked for fair application of EC's anti-dumping charges.

Seoul, Other Nations To Discuss Bering Sea Fishing*SK3006024293 Seoul YONHAP in English 0152 GMT 30 Jun 93*

[Text] Seoul, June 30 (YONHAP)—South Korea will resume pollack fishing in the Bering Sea from 1995 and secure a 20 percent catch quota, officials said Wednesday. The four fishing countries—South Korea, Japan, China, Poland—and coastal nations—United States, Russia—are meeting in Tokyo this week where they decide on the catch quota when they enter the Bering Sea again after the 1993-1994 moratorium ends, officials said.

General consensus is to divide the quota based on each country's past catch amount, which would give South Korea about 20 percent. Bering, a major supplier of pollack along with Okhotsk, was closed for two years after the six fishing and coastal countries agreed that the sea was losing its stocks.

As much as 14 million tons were netted in 1988 and 1989 before the catch was reduced to 300,000 tons in 1991. Seoul netted an average 250,000 tons between 1986 and 1990 but just 78,000 tons in 1991. The six countries decided on boarding inspectors on each vessel to prevent illegal fishing activities and to continue surveys to ensure protection of resources.

Seoul To Decide on Rice Market After G-7 Summit*SK0107011193 Seoul YONHAP in English 0030 GMT 1 Jul 93*

[Text] Washington, July 1 (YONHAP)—South Korea will decide on its rice market opening after seeing results of this month's G-7 [Group of Seven] summit, ambassador to Washington Han Sung-su said Wednesday. It's not just an economic issue but a difficult dilemma with political repercussions, said Han at a breakfast meeting with reporters at the National Press Center here arranged before U.S. President Bill Clinton's Seoul visit July 10-11.

South Korea and the United States will launch "Dialogue for Economic Cooperation (DEC)" during Clinton's visit, a forward-looking forum designed for the 21st century, said Han. The DEC replaces a one-year-old Presidents' Economic Initiative (PEI) and will make full use of South Korea's geographical advantage for Seoul-Washington joint trade entry to third markets like China and Russia, the ambassador said.

North Korea's nuclear problem will be one of the most important issue at the Seoul-Washington summit, he added, "North Korea must not only give up its nuclear weapons development but even its motive for such development. International inspection on Yongbyon's two nuclear sites must be conducted."

Ministry Seeks To Revise Overseas Advisory System*SK3006014793 Seoul THE KOREA TIMES in English 30 Jun 93 p 2*

[Text] Foreign Ministry officials have demanded the repeal of the system under which advisors from among Koreans overseas are appointed to the Advisory Council on Democratic and Peaceful Unification (ACDPU) on the grounds that it is a hindrance rather than a contribution to the national unification. The Secretariat of the ACDPU appoints some 10,000 advisors, including some 1,000 from overseas resident communities, every two years, and has them engage in activities to help attain peaceful unification of the Korean peninsula. Sixth-term advisors will be selected by July 1.

A high-ranking ministry official said that the system was, in part, conceived to keep the military regimes in the past in power. Mission chiefs are entitled to recommend advisors in the regions they are assigned to and the ACDPU Secretariat makes a final screening, according to the pertinent law.

Many Korean residents overseas fiercely compete for the honorary posts, creating adverse effects such as discord between successful and unsuccessful applicants and complaints to mission chiefs, the official said. He also admitted that in the past the system had served to divide overseas Korean communities into two extremes rather than unifying them.

"It is desirable to help overseas residents become sound citizens of the countries where they live instead of turning them around back to their home country," the official said. "Now, we need not make efforts to attract Koreans in foreign countries to our side as competition with North Korea is over. It's better to let overseas residents integrate into the community where they live, siding neither with South nor North," he said.

He also pointed out that huge amounts of money are spent in managing the system. The government has to pay air fares, lodging and costs of industrial tours when overseas advisors come to Seoul for a general assembly meeting every two years.

Regional meetings are also held in North America, Europe, Asia and other places and the government pays air fares and lodging for those, too. A budget saving drive is being carried out in every government agency, including even Chongwadae, by the President Kim Yong-sam administration, the official said.

The money should be funneled into probable inter-Korean economic projects, another official said, adding that it would be helpful to advance unification. The opening of North Korea's closed society to the world will be possible through economic development with the influx of foreign capital, he said.

The North is reported to be in a serious financial pinch, particularly after the bankruptcy of the Soviet Union

and other socialist nations. Now, 960 advisors out of the overseas quota of 992 are active. The secretariat had intended to increase the number of overseas advisors by 300 this year but failed due to objections by the Foreign Ministry. A ACDPU Secretariat official said that the office has received 1,150 applications from Korean communities in 47 countries and screening is under way.

Seoul To Enforce Controls Over Defense Technology

SK3006114193 Seoul YONHAP in English 1045 GMT 30 Jun 93

[Text] Seoul, June 30 (YONHAP)—South Korea will enforce a sort of the COCOM (Coordination Committee for Export to Communist Area) system next month to control exports of 148 key defense and other sensitive items to North Korea, China and 14 other present and former socialist countries. An official at the Ministry of Science and Technology said on Wednesday that beginning July 1 a firm hoping to export items prone to undermine international peace and security to one of such countries should obtain relevant ministries' approval beforehand.

He said his ministry, in its part, will put into force a strategic technology exports approval system under the frame of the law on the acceleration of technology development to facilitate the device. Under the system, exports of sensitive items to the 16 countries will be controlled by several ministries depending on the nature of the items involved.

Shipment of ordinary industrial items will be checked by the Trade, Industry and Energy Ministry, that of defense industry products by the Defense Ministry, and that of nuclear-related goods and strategic technology by the Science and Technology Ministry, he said. The countries to which the exports of these items will be controlled will be Mongolia, Commonwealth of Independent States, Vietnam, Czech Republic, Slovakia, Poland, Bulgaria, Romania, Cuba, Albania, Afghanistan and the three Baltic countries, in addition to North Korea and China.

Seoul To Curb Defense Spending to 'Minimal Rate'

SK0107001393 Seoul THE KOREA TIMES in English 1 Jul 93 p 8

[Text] Defense spending will be curbed to the possible minimal rate from this year through 1997 as a way to funnel more funds into construction of social infrastructure. The number of government officials will also be frozen at the present level in order to reduce the portion of personnel expenditures in the government budget.

Public utility rates such as railroad, electricity and postal services, which have been held to low levels in consideration of inflationary pressures, will be raised over the next five years to meet public expectations for better services. The Economic Planning Board (EPB) yesterday

announced these and other fiscal reform measures to be implemented from this year through 1997. The measures will be reported to President Kim Yong-sam tomorrow as part of the new five-year economic plan.

The reform proposals call for raising the country's tax burden ratio to gross national product (GNP) to 22-23 percent in 1997 from the present 19.4 percent to expand the basis of fiscal spending. The current tax burden ratio is low, compared with that of industrialized countries—24.6 percent for Germany, 30.5 percent for Britain and 20.7 percent for the United States, the EPB said.

The reform package envisages incorporating oil-related special consumption taxes into a single tax whose revenues will be spent to finance road and other transportation projects. The EPB said it is also necessary to raise tax rates for gasoline and diesel by a sharp margin over the next five years to expand financing sources for social overhead capital.

To improve the country's poor environmental protection levels, the package proposes imposing levies on environmentally-polluting daily necessities such as detergents and edible oil, which will be used to better the quality of water. The EPB said the government is considering establishing a new "public management fund," which will absorb various pension funds and postal savings to make up for the shortage of financing sources.

The proposals said it is inevitable to freeze the number of government officials at the present level in consideration of its growing portion in the government budget. The share of the general budget devoted to personnel expenditures reached 16 percent this year and if personnel expenditures in the defense budget are included, the rate soars to more than 30 percent, the EPB said.

Number of Labor Disputes Expected To Increase

SK0107020693 Seoul YONHAP in English 0109 GMT 1 Jul 93

[Text] Seoul, July 1 (YONHAP)—Labor disputes are expected to snowball this month and spread to companies in the Seoul and Incheon areas after six affiliate companies of the Hyundai Business Group start job actions early next week. Hyundai Motor Co., Hyundai Precision and Industry Co., Hyundai Electrical Engineering Co., Hyundai Construction Equipment Industry Co., Kumkang Co., and Kepico Corp. and seven companies are caught up in labor-management disputes. They are likely to be joined by five other affiliates including Hyundai Wood Industry Co. this week, Hyundai Heavy Industries and Hyundai Mipo Dockyard Co. by July 5.

Inchon Iron and Steel Co., Korea Industrial Co., and Hyundai Industrial Machinery Co. in Seoul and Incheon are expected to go into disputes, which have so far been limited to companies in Ulsan, North Kyongsang Province. Kumkang workers in Incheon have been staging partial strikes for 15 days and unionists at Kepico, an auto parts supplier, have been refusing overtime work.

Apart from nine work sites in Ulsan that have taken or about to start job actions, Daihan Aluminum Co., Hyundai Aluminum Industry Co., and Hyundai Pipe Co. in the area and Hyundai Motor Service Co. and Hyundai Elevator Co. in adjacent areas of Seoul are currently under labor-management negotiations. But because the Hyundai subsidiaries are demanding talks with the group executives instead of their affiliated companies, which are unlikely to be accepted, disputes are likely to increase.

Hyundai's labor conflict is feared to affect other companies in the Seoul and Incheon areas like Daewoo Motor Co. Hanjin Heavy Industries Co. looks shaky with its cooling period ending on July 10 and Poongsan Metal Trading Inc. also reported its plan of dispute.

Ex-Presidents' Aides Deny DLP Chair's Claims

SK3006092593 Seoul YONHAP in English 0650 GMT 30 Jun 93

[Text] Seoul, June 30 (YONHAP)—Ruling Democratic Liberal Party (DLP) Chairman Kim Chong-pil on Tuesday laid bare his belief that some former members of the so-called "new military elite," which led the Dec. 12, 1979, Army coup, are still keeping his art valuables after seizing them from his collection in 1980 instead of turning them over as national properties. Kim's allegation, however, was denied by members of the military group, which included Former Presidents Chon Tu-hwan and No Tae-u.

But Kim was convinced that they divided the seized art objects among themselves. As Kim's allegation was instantly analyzed by some media reports as a show of contempt for the new military elite of the early 1980s and as an intention to dig up the past, his aides stepped in to clear up suspicions about Kim's intention.

"We didn't expect this. Kim has neither the intention of making this into a problem nor recovering the art pieces, so we won't be making further comments on their whereabouts," said one of his aides. He explained that Kim revealed such fact only to help people's understanding of the situation and wasn't aiming at digging up the past.

An aide to Former President Chon and a member of his former military faction said he knew nothing of the fact and refuted that the properties seized from "corrupted politicians" were used to raise funds for farmers and fishermen. After taking the helm, Chon and his fellow military leaders announced an anti-corruption drive and searched houses of allegedly corrupted politicians and confiscated their valuable possessions as "evidences of their dirty fortune-making" on May 17, 1980.

Former Rep. Yi Hak-pong, a martial law administrator at that time, flatly denied Kim's allegation, saying that a list was made on the seizures and that they were dealt with according to related regulations. Whatever the

intent of Kim, many observers say now that the matter is on the table, suspicion around it must be cleared.

'Dissidents' Recruited Into Advisory Council

SK3006114293 Seoul YONHAP in English 1051 GMT 30 Jun 93

[Text] Seoul, June 30 (YONHAP)—The Advisory Council on Democratic and Peaceful Unification has recruited a number of dissidents and progressive-minded people as its sixth-term members whose duties begin on July 6. Yu Kyong-hyon, secretary general of the Presidential Advisory Council, said on Wednesday 34 percent of the 5,748 functional and overseas representatives have been replaced to make the council better fit to its nature of being a suprapartisan and nationwide constitutional organ.

He said at a press conference that many of the new faces are those who took part in dissidents and citizens movements in the past. "By instituting the participation of people in all walks of life in the council, we will correctly reflect people's views on government unification policies," he said.

Among the new council members will be: Choe Hui-sop, chairman of the Korean National Council of Churches; Chang Tae-wan, chairman of the Catholic Farmers Society; Wi In-paek, chairman of the May 18 Colleagues Society; and Choe Kyong-yol, chairman of the April 18 wounded persons. The advisory council comprises 11,581 members including 5,170 members of local autonomous councils who automatically become the members of the presidential council.

Seoul To Name 1960 Incident 'April 19 Revolution'

SK0107094593 Seoul YONHAP in English 0747 GMT 1 Jul 93

[Text] Seoul, July 1 (YONHAP)—The student demonstrations which brought President Syngman Yi's government down on April 26, 1960, will be described as "the April 19 Revolution" in laws and school textbooks to be revised this year. A spokesman for the ruling Democratic Liberal Party (DLP) said Thursday that since President Kim Yong-sam redefined the April 19 demonstrations, the government and the DLP have agreed to change the official name of the event from the "April 19 Righteous Uprising" to the "April 19 Revolution."

He said the Patriots and Veterans Affairs Ministry had consulted the ruling party about its plan to revise the law on honorable treatment for men of merits in a way that replaces the term "April 19 Righteous Uprising" with "April 19 Revolution" in its provisions. The DLP would introduce a bill revising related laws to the National Assembly during its regular session opening in September, he added.

*** Dissident Movement in Disarray**

932C0142A Seoul HANGYORE SINMUN in Korean
15 May 93 p 23

[By correspondent Yi In-u]

[Text] Mr. K quit his post as a permanent executive of a dissident group and began working for a small business on 19 April, which coincided with the 33d anniversary of the 1960 student revolution, ending his long career as a dissident activist. He had held that executive post for three years before quitting.

According to him, he resigned his post because, in his words, "from the beginning, I accepted the job on condition that I would serve until the presidential election was over." But there is a real reason for his resignation, the reason which is common among many other activists who are quitting the forefront of the activist movement.

At a drinking party with his former colleagues in the dissident movement, Mr. K tearfully confided, "I have to earn a living like anyone else, don't I?"

Mr. K's case may be only one minor example that illustrates the sense of murky prospects and the inner psychological conflict many dissident activists feel at this moment.

At present, only five months from the presidential election and barely three months after the Kim Yong-sam administration was installed, the dissident camp seems to have lost much of its past vigor.

One cannot help having the impression that the image of the vitality and high moral ground the dissident forces displayed during the June 1987 resistance, as well as the warm support the masses gave them on the same occasion, has disappeared from the memories of the people.

Most of the dissident activists admit the current difficulties confronting the dissident forces internally and externally, saying that the dissident camp as a whole has not yet reached an agreement on the question of "what has to be done" under the changed circumstances in which the "military dictatorship" has been replaced by a "civilian government."

In fact, it is for quite some time that people outside the dissident camp have been saying, "the role of the dissidents is now over in Korean society, and they must find an alternative to their social movement in a middle class-centered civic movement in place of class struggle."

However, it may be correct to say that there is not any sufficient objective ground for warranting the hasty conclusion that the role of the dissident forces is over.

Said Yi Pom-su, a 43-year-old journalism lecturer of the Korean Press Research Institute: "It was the dissident forces that have stood on the foremost front of the struggle for democracy against the dictatorship for the past 30 years or more, leading the ardent popular desire

and drive for democracy. The mass movement by people in all walks of life, including workers, farmers, and students, has to develop continually in the interest of a balanced growth of our society. In this sense, the dissident camp still has a historic role to play."

Cho Hui-yong (38), professor at the Episcopal Divinity College, pointed out, "It must be the dissident camp that is watching more closely than anyone else the true colors of the Kim Yong-sam Administration which has been born of a union of ruling circles of conservatives and entrenched interest groups. The dissident forces," he argued, "should persistently demand a structural reform of the government and assume a critical and alternative role, so that they may be able to cope with a new situation should there be the failure or antihistoric reversal of the reform drive."

In the final analysis the crux of the question over which the dissident forces are anguishing boils down to this: How they should define the reason for their existence and play their role accordingly, given the changed political landscape and the changed atmosphere of the masses?

"Many first-line dissident activists, admit in principle, although in varying degrees, that the dissident camp is confronted with the demand for change."

An unidentified activist frankly admits in self-reflection, "As democracy progressed to some extent in form, if not in substance, following the 29 June [1987] declaration, it became necessary for the activist movement to give consideration and pay respect to public opinion; but it failed to do so. The dissident forces refused to accept the change, still giving excessive stress to a movement centering on street demonstrations."

On the other hand, there is a stentorian call for the dissident activist groups to coolly admit the fact that "they have ended up inviting their own isolation because as they failed to embrace the middle class, their image, without their knowing, began to be reflected in the minds of the middle-class citizens as an extremist force without an alternative."

Admitting this "error," the dissident activist groups are trying to find a remedy in a "qualitative change in their movement." In other words, they argue that the movement should do away with its complete devotion to political struggle and instead take diverse forms that will bring it closer to the lives of the masses.

Yang Chae-won, 36, director of the organization bureau of the (National Federation) [Chonguk Yonhap], shares the view that "now it is necessary not only to wage class-oriented struggle but also to find and present practical alternative solutions to problems facing the masses in their daily lives."

It is clear that there is a considerable consensus inside the dissident camp that to cope with the changing circumstances surrounding the nationalist-democratic

movement by the dissident forces, and to reflect the demands of the masses which are becoming evermore complex and divergent, the scope of the movement should be expanded to embrace middle-class civic movements.

Also becoming more and more persuasive is the opinion that the dissident movement should establish the kind of relationship with existing civic movement organizations under which the former will cooperate and collaborate with the latter on an issue-by-issue basis while competing with one another on issues over which the interests of the base-level masses are in conflict with those of the middle class.

However, although this principle and direction is correct, the question is how to put this principle in the container of the dissident movement and how to make the people recognize the dissident movement as something different from "ordinary citizens' civic movements." No convincing answers to these questions have been found yet.

"Given the expanding sphere of lawful and institutionally legitimate activities, and the social atmosphere dominated by public opinion, how to bring the goals of the movement closer to the masses is a key question."

So said Hwang In-song, 41, executive chairman of Chonguk Yonhap. His statement reflects the current agony of the dissident forces.

The dissident camp included many civic movement groups in the "National Committee To Honor the 18 May and 10 June Popular Resistances" inaugurated on 10 May to carry out projects in commemoration of the Kwangju popular uprising in 1980 and the June 1987 resistance. This may be viewed as part of the current efforts by the dissident camp to turn the dissident movement into a mass movement.

On the other hand, the question of forming a new "political organization," which the key leadership of the dissident camp has been discussing since the inauguration of the new government, is drawing keen attention as it relates to the future course of the dissident forces.

This question came to the fore in early March when Kim Kun-tae, 46, former executive chairman of the National Council [Kungmin Hoeui] and one of the key leaders of the dissident forces, proposed to Chonguk Yonhap to discuss it. The purpose of his proposal is in essence aimed at "forming a body to launch a political national movement" which will seek as one of its goals to build a political party that will eventually come into power, by embracing broad segments of dissidents; conscientious intellectuals, professionals, and religionists; and progressive elements in the opposition parties.

The proposal for said political organization is based on this assumption: "The Kim Yong-sam Administration is not essentially different from the past administrations. But thanks to the ruling structure that gives preference to

civilians, and his image as a reformer, the new administration enjoys considerable support from the masses. In addition, with the weakening adversarial pattern of democracy vs. anti-democracy and the increasing scope of procedural democracy and expanding sphere of lawful political activities, conversely the stature of the dissident forces is diminishing."

On the other hand, some are critical of this move. They argue: "Some dissident leaders are more concerned about election than the mass movement. This is a move centering on those in the leadership positions who are more interested in the political establishment and a lawful political party than in the struggle for independence, democracy, and national unification—the ultimate goal of the dissident forces."

In the final analysis, these criticisms, although in varying degrees, are in the same vein with the argument that first of all, Chonguk Yonhap—which is a general federation of first-line dissident groups and their only political representative—should be made stable and strengthened.

Hwang In-song, chairman of the Chonguk Yonhap executive committee, was somewhat skeptical about the immediate question of forming a political organization when he said: "It is a fact that a fairly large number of dissidents are sympathetic to the proposal for forming a political organization. But actually when it comes to organizing and building such an organization, there will be difficulty if it is carried out without the support and endorsement of the mass movement organizations."

In response, Kim Kun-tae and others said, "Consent of Chonguk Yonhap is not necessarily a precondition for the proposed formation of a political organization. But the basic position is that it should be pushed as a 'concerted effort' of the dissident groups as a whole." He predicts that "the matter will take concrete shape in the latter half of the year."

Meanwhile people in the dissident camp are rather cool toward those who have left the dissident camp to join the ruling party.

Most people in the nationalist-democratic movement say: "It is true that there is an atmosphere of liquidation in some corners of the dissident camp. But it is not correct to assume that the behavior of those who have joined the ruling party is an indication of the general trend." "Those former dissidents," critics say, "have overlooked the fact that the better way to contribute to a more substantive change and progress in our society at this moment is to build and nurture an alternative political force."

Anyhow the nationalist-democratic movement of the dissident forces stand between "two hares" so to speak, as it faces the necessity of turning the dissident movement into a grass-roots movement while seeking to grope

its way into the political establishment under the catchphrase of "participatory democracy" in the changed condition under a new ideological banner.

This a difficult course which requires the dissident forces, despite the ideological multiplicity among its ranks, to band together as one for the common goal of independence, democracy, and national unification and develop themselves into an alternative force that will work for social advancement and national unification by actions and under prospects not detached from the masses.

At this juncture, with not much time remaining before the first observance of the anniversary of the Kwangju popular uprising and the June [1987] resistance since the installation of the new "civilian government, the following question raised by Kim Kun-tae seems to highlight the grim reality facing the dissident nationalist-democratic activist camp.

"What we should really fear is the possibility of revival of historical nihilism. If the (dissident) movement should fail to positively respond to the changed situation, we might be pushed into the outer perimeters and buried in a forgotten page of the history book. In that event, who would dare stand up in the face of the hardship and sacrifice to take up the challenge that would naturally confront the nation?"

* DP Tries To Set Party Position

932C0149A Seoul WOLGAN CHUNGANG in Korean
Jun 93 pp 252-257

[By correspondent Sin Chae-hyong]

[Text] On the evening of 29 December last year there was a small gathering at Phoenix Room of Hilton Hotel in Seoul. The party was attended by several close friends of Cho Sung-hyong, former chief secretary to Kim Tae-chung, in Cho's honor before his departure for the United States. Cho had decided to quit politics "feeling a strong sense of responsibility for candidate Kim Tae-chung's defeat in the presidential election." Present on the occasion were six or seven politicians including Cho, the guest of honor, and Assemblymen Kwon No-kap, Na Pyong-son, and An Tong-son. Naturally, their conversation drifted to the discussion of prospects of the political situation.

Everyone nodded when Cho Sung-hyong said, "For the time being there will be no more Youido-based parliamentary politics." What he meant was that for the time being it would be difficult to expect party politics which gives weight to the functions and roles of the parliament, that is, politics based on checks and watch by the opposition party and balances between the ruling and opposition parties. They cited these factors to substantiate their reasoning: President Kim Yong-sam's political style, the internal power relationships within the DLP [Democratic Liberal Party], and the leadership vacuum

created by former DP [Democratic Party] President Kim Tae-chung's retirement from politics.

Prior to the 14th National Assembly election, then party President Kim Tae-chung had told his secretary, Cho Sung-hyong, that he would "immediately retire from politics should he be defeated in the presidential election." At the 29 December party Cho disclosed that he had asked Kim Tae-chung to reconsider the timing for his retirement on the grounds that "it would take at least six months to groom a new leader for the opposition party." Conforming the firmness of Kim Tae-chung's determination, Cho tipped Assemblyman Kwon No-kap off because he thought the matter was very serious.

The ruling party, too, missed Kim Tae-chung's political retirement. After the ruling party's election victory was ascertained, a ranking ruling party assemblyman said he regrets the enemy commander's retirement for the following reasons: First, in the past the DP adjusted the demands of the progressive forces for reform to confirm to political reality; second, it is clear that public expectations on the Kim Yong-sam Administration for reform would soon reach explosive proportions; third, yet the opposition without Kim Tae-chung would not be equal to the task in holding in check, telepathically so to speak, those entrenched interests within the ruling party who might attempt to decelerate the pace of reform and in giving impetus to the Kim Yong-sam Administration's reform drive.

Said the same assemblyman: "President Kim Yong-sam would not find any talks between the leaders of the ruling and opposition parties useful until new leadership is firmly established in each party." This is because President Kim Yong-sam is fully aware that even if the heads of the ruling and political parties reach an agreement on some delicate political issue, it could so happen that the DP leadership would be unable to exercise its leadership to implement the agreement.

"From now on there will be Chongwadae politics, but no more Youido-based parliamentary politics." That was the forecast at the 29 December party for political weather following Kim Tae-chung's political retirement, and it was shared by all others. That prediction has proved correct. Chongwadae was the only establishment among all other political establishments that has not drifted in the typhoon of reform that has been gathering force since the inauguration of the Kim Yong-sam Administration. The entire political world, both the ruling and opposition parties, except Chongwadae, has drifted helplessly. The National Assembly speaker had to relinquish his post in the aftermath of the disclosure of his property; and Cho Hyong-u, DLP secretary general—the post which may be regarded as that of the field commander for the ruling party's reform program—had to resign over a scandal involving his son.

The DP has received harder blows. Its existence itself has become obscure. Public interest has been focused on Chongwadae. At its convention, in which a computer

vote tallying system was introduced for the first time, a new leadership was chosen by election without any prior manipulation. A new DP National Assembly floor leader was also chosen by election. Despite all these innovative efforts, however, the DP has been incapable of attracting more public attention than President Kim Yong-sam's reform drive.

Assemblyman Chang Chae-sik, who became chairman of the DP Policy Committee as a freshman assemblyman, has an agony of his own. He was elected as chairman of the Sodaemun-B party chapter after Assemblyman Yim Chun-won bolted the DP following the last general election. The DP used to win easy victory in this district in the past. Recently, people in this constituency are demanding the resignation of Assemblyman Yim in the aftermath of the disclosure of his property. Assemblyman Chang is watching the outcome of this demand with attention.

The development in this constituency may seem a wind-fall to Assemblyman Chang, but it is not necessarily a boon to him. But for this development, all his concern would be how to manage his constituency. But what is troubling him is the soaring popular support for President Kim Yong-sam's reform policy.

Needless to say, at present a by-election is not imminent. But when it comes, Assemblyman Chang will have to decide whether he should abandon the national constituency to run in the local constituency, or he should be satisfied with being an assemblyman from the national constituency for the duration of the 14th National Assembly. In the worst case he might end up losing his seat from the national constituency and gain nothing.

DP assemblymen from districts other than those in the Honam area more or less have similar agonies. Shortly after the presidential election was over, DP assemblymen felt a kind of despondency and anger at the "political mentality of the electorate that cares little about the quality and prowess of the candidates." But now the situation has changed. DP assemblymen from other areas than Honam are worried about their chances of reelection in the 15th general election.

Their worry germinated when President Kim Yong-sam began to lead the political world with his advocacy of reform, the domain reserved for the opposition party in the past. The by-election in the Kwangmyong constituency added to this worry. When President Kim Yong-sam nominated Professor Son Hak-kyu of Sogang University, who is among the youngest in the 3 June generation and who had no local ties to Kwangmyong, as the DLP candidate, political circles called this move "Kim Yong-sam's Kwangmyong political experiment."

Coming as it did after President Kim installed Kim Chong-nam, a front-runner in the 3 June generation, which may be regarded as a potential dissident force, strained the nerves of the DJP [Democratic Justice Party] and NDRP [New Democratic Republican Party] factions within the DLP. Interpreting it as part of Kim

Yong-sam's peculiar game plan, they took it as a signal heralding a personnel realignment in the ruling party. Professor Son Hak-kyu is the very person who arranged for candidate Kim Tae-chung to deliver a special lecture at Sogang University.

DP President Yi Ki-taek was interviewed by WOLGAN CHUNGANG last March immediately following the DP convention. In this interview he said, "Opposition victory in a by-election into which both the ruling and opposition parties are throwing all their might would be as difficult as to grow beans in a dry spell." Yet he was sure of DP victory in the Kwangmyong by-election. Kwangmyong is the place where candidate Kim Tae-chung ranked first in the last presidential election, although the DLP won a lopsided victory in the presidential election.

Needless to say, there can be no correlation between the magnitude of support for candidate Kim Tae-chung in the last presidential election in which the opposition party had a fair chance of winning and the number of votes cast for the opposition candidate in the Kwangmyong by-election. On the day the votes were counted, DP Secretary General Kim Tok-kyu expressed his frustration in the deserted situation room in these words: "We thought we would carry Kwangmyong at least." Whatever the reason for the DP defeat, the outcome indicates that public opinion is shifting in favor of President Kim Yong-sam's reform policy.

The change of heart on the part of eligible voters did not stop there. Shortly after the Kim Yong-sam Administration was installed, it became fashionable to say, "People who supported Kim Tae-chung during the presidential election are smiling while the supporters of Kim Yong-sam feel uneasy." These words, which mirror the dissatisfaction of the entrenched interests and the mental support of the pro-reform forces for the DP, however, did not sound soothing to DP assemblymen, for the Kim Yong-sam victory signified the alienation from the opposition party of the traditional supportive forces and the pro-opposition constituents.

Various public opinion polls taken after the presidential election confirm the degree of uneasiness of DP assemblymen. Despite some variations depending on when the surveys were taken and who took the polls, all these surveys show that the ratio of support for President Kim Yong-sam is shooting up. This is rather more apparent in the Honam area, which may be considered the bastion of the DP.

According to a WOLGAN CHUNGANG poll on 3 May, 70 percent of the eligible voters in the Honam area support President Kim Yong-sam. Of course, the support for the president does not necessarily mean support for the DLP. But the ratio of support for the DLP in the Honam area is also soaring to 23 percent. The full support of eligible voters for President Kim's reform policy is resulting in a rise in the ratio of support for the DLP.

The ratio of support for the DLP, which stood at a mere 22.9 percent shortly before the presidential election, soared to 45 percent after the inauguration of the new administration, and further rose to 53 percent on 3 May. On the contrary, the ratio of support for the DP, which stood at 17.6 percent shortly before the presidential election, rose to 21.4 percent for a while after the new government was installed, and then has slid down to 18 percent. A public opinion survey shows that 85.7 percent of Seoul citizens support President Kim Yong-sam and 46.1 percent support the DLP. Supposing these ratios can immediately be translated into the number of votes, DLP candidates will win in every constituency except those in the Honam area.

With a by-election in the offing as a result of Assemblyman Kim Mun-ki's resignation from the National Assembly, Choe Uk-chol, chairman of the DP Myongju-Yangyang DP district chapter, predicts that the forthcoming bye-election in June will be tantamount to a head-on race against President Kim Yong-sam. Whoever will run, he will get a 30-percent YS premium over his opponent by merely harping on President Kim's reform themes.

This is to say that as long as the present trend continues, DLP candidates will easily win on the strength of President Kim Yong-sam's popularity without resorting to organized irregularities as the ruling party did by mobilizing government and money powers in the past. This was proven by the Kwangmyong by-election. The premium that DP candidates used to enjoy by virtue of running on the DLP ticket has disappeared, but the DP has to cope with attack by a new weapon called the YS premium.

DP assemblymen from the Honam area are worried as much as their colleagues from other areas. Still fresh in their memory is the DP defeat in the Namwon District and the Muju-Chinan-Changsu District in the 14th general election because two opposition candidates ran in each of these two constituencies. The unwritten rule that "any candidate can win [in the Honam area] if only he puts up a DP banner" crumbled in the last election. No longer able to bank on Kim Tae-chung's leadership, assemblymen from the Honam area have lost the DJ premium, and opposition candidates are most likely to see their constituencies flooded with multiple candidates.

Assemblyman Chang Yong-tal (from Wansan, Chonju) said, "As far as North Cholla Province is concerned, I can feel the mounting support for the DLP." Should a DP member with a solid constituent base run for election as an independent, he would need to wage a fierce struggle to enlist the support of pro-DP eligible voters whose number is steadily shrinking. "Previously, even under the major slogan for electing Kim Tae-chung as president," he said, "the DP lost two local constituencies; and if the 15th general election takes place under the present circumstances, nobody would be able to vouch for DP victory."

Assemblyman Kang Chol-son (from Okku, North Cholla Province) has been considered one of the Kim Tae-chung intimates. But Kang threw his support behind Assemblyman Kim Sang-hyon in the last party convention. His maverick move disturbed Assemblymen Kwon No-kap and Han Kwang-ok. In the end Assemblyman Cho Sung-kyong tried to intercede, but Kang did not budge. Kang made his choice after going through an agonizing soul searching. Said Kang: "Even entrenched interests used to be supportive to Kim Tae-chung. But at this juncture when eligible voters have lost their long-standing dream [of electing him as president], the DP needs the Honam signboard to survive. That is also the rallying call of the local constituents."

That is one of the reasons Yi Ki-taek, even with Kim Tae-chung's tacit support, failed to win in the first ballot for the party presidency but had to go through a show-down ballot because the race was so close. That feeling is not only the sentiment of the non-mainstream of the DP but also the sentiment of the assemblymen from the Honam area. This sentiment also manifested itself in the election of a new DP National Assembly floor leader. It was a neck-and-neck race with Assemblymen Kim Tae-sik and Hong Sa-tok each polling 26 votes, and the victor had to be chosen by a second ballot. In the second ballot in which the two mainstream figures competed head-on, Assemblyman Kim Tae-sik (from Wanjū) had the honor of becoming the first DP floor leader ever chosen by election, with the full support of the non-mainstream faction. In the second ballot, Assemblyman Hong got only a single additional vote whereas Kim Tae-sik polled an additional 40 votes. There could be several reasons for the defeat of Assemblyman Hong, whom Kim Tae-chung had long regarded as for the best candidate for the DP floor leader.

One reason is that party President Yi Ki-taek maintained a neutral position because he found it necessary to have a floor leader from the Honam area for the purpose of mollifying the sense of crisis that began to surface among assemblymen from the Honam area during the election of the party president at the last party convention and of bringing them into the fold. But there is the more convincing explanation: the argument—the argument that "given the fact that the party president comes from the Yongnam area, it will be for the good of the party to give at least the post of floor leader to a man from the Honam area"—influenced the assemblymen from the Honam area.

In other words, Hong Sa-tok's defeat signifies that DP assemblymen have done away with their old way of relying on Kim Tae-chung's strong leadership and remarkable "marketability" and instead chosen individual thrust as a way of survival.

Reformist elements in the DP have already launched or are preparing to launch their own supporters organizations to increase opportunities to get in touch with eligible voters and augment their organizational strength while trying to give a fresh impression. Assemblymen Yi

Pu-yong, Yi Hae-chan, Che Chong-ku, Pak Kye-tong, Yi Kil-chae, Sin Kye-ryun, Kim Yong-chin, Kim Sang-hyon, Cho Se-hyong, Yu Chun-sang, Chin Sun-pom, and Kang Chang-song are trying hard to link the activities of their supporters associations to the matters of interest to their constituents. Assemblyman Yi Hae-chan, who inaugurated an association of his supporters in late April, held a "citizens rally in demand of an early implementation of the use of real names in financial transaction" as part of supporter activities.

While DP assemblymen were fretting, the DP leadership was rather relaxed because in the beginning it viewed the Kim Yong-sam Administration's reform drive as nothing but a rehash of the same old unique game plan Kim Yong-sam used to employ when he was in the opposition, that is, the strategy of throwing everything into the initial attack. DP President Yi Ki-taek's original position was that he would help President Kim Yong-sam with his reform drive where he needs help and criticize it where criticism is warranted. But in the aftermath of Prime Minister Hwang In-song's statement regarding the 12 December [1979] incident, Yi Ki-taek shifted to a massive offensive to bring about a new turn in the political situation.

The DP did not relent in its demand for the punishment of the leaders of the 12 December coup because in its judgment, the controversy over the 12 December incident would not only highlight the intrinsic nature of the Kim Yong-sam Administration and the limits of its reform line but also could be good material to be used in dividing the ruling party. The DP believed that to take advantage of the existing public consensus on the issue of the 12 December coup to restore its standing of the National Assembly that has diminished under the wave of the Chongwadae's anticorruption audit and inspection is a short cut to recovering the fallen authority of the opposition.

The demand for punishment for the main force that staged the 12 December coup was also a strategic move designed to recover the political initiative by throwing President Kim Yong-sam into an awkward position. DP President Yi Ki-taek's visit to the Mangwol-tong cemetery was interpreted as a gambit designed to expand as much as possible the scope of consensus on the historical truth that the genesis of the Kwangju massacre perpetrated by the new military leadership in May 1980 is traced back to the 12 December incident.

The DP planned to: call for a nonconfidence motion against Prime Minister Hwang In-song; propose an investigation into the truth about the 12 December incident in the National Assembly Defense Committee;

and as a follow-up, launch its own investigation of the incident to pass a historic judgment on it. The DP offensive did not slow down despite Prime Minister Hwang In-song's apology during his press conference and the official position expressed by Chongwadae senior secretary in charge of information. Eventually the DP succeeded in obtaining the 13 May Chongwadae statement defining its official position that the 12 December incident was "a coup d'etat staged through a mutiny."

On the morning of 13 May President Kim Yong-sam issued a special statement from his office, entitled: "Address to the Citizens Regarding the 18 May Kwangju Democratization Movement." In this statement he said: "the Kwangju democratization movement occupies a salient point in the arduous journey we have pursued toward civilian-based democracy." He stated that the present government is an off-shoot of the Kwangju democratization movement, and that was his characterization of the Kwangju uprising.

Yi Ki-taek did not conceal his satisfaction when General Secretary Pak Kwan-yong; Chu Ton-sik, senior secretary in charge of political affairs; and Hong In-kil, senior secretary in charge of general affairs called on him from Chongwadae on the afternoon of 13 May. On this occasion the two sides exchanged remarks expressing their wishes to build mutual trust between the ruling and opposition parties in the reform policy. With this as a momentum, the DP plans to give full play to Youido parliamentary politics. However, there is a strong body opinion cautioning against optimism. Assemblyman An Tong-son (Puchon Central A District) says: "President Kim Yong-sam knows the chemistry of the opposition better than anybody else. If such a president wants to shake the opposition," said he, "he could shake it." On the contrary, Kwon No-kap, member of the Supreme Council, argued, "President Kim, being a believer in the opposition and a parliamentarian, would not try to strategically manipulate the opposition as the military regimes did in the past."

It is still unknown quantity whether or not the DP will succeed in restoring Youido-based parliamentary politics and reestablish its standing as the orthodox opposition party by continuing its offensive on the issue of the 12 December incident and pressing for the use of real names in financial transactions. Nevertheless its leader, Yi Ki-taek, was confident that his party would recover its standing when he said: "It is none other than the DP that has managed to have the 12 December incident defined as a coup d'etat and has managed to extract the statement that has completely restored the honor of the 18 May Kwangju uprising."

Burma

Talks on Basic Principles Continue 28 Jun

BK2906115393 Rangoon Radio Burma in Burmese
1330 GMT 28 Jun 93

[Text] Groups of National Convention delegates representing political parties, national races, and public service personnel today continued their panel discussions in the morning and in the afternoon at their respective meeting halls on the Kyaikkasan Grounds, Yangon [Rangoon].

The group representing political parties held its panel discussion on the prescription of fundamental principles of the state at 1000 this morning in Meeting Room No. 5. U Tharzan Hla of the National League for Democracy chaired the meeting, while U Zeya acted as secretary.

After an opening speech by the chairman, U Ti Hkun Kyu, alias U Ti Jong Gan read and presented the Shan State Kokang Democratic Party's report on suggestions. The meeting was adjourned at 1100 in the morning for lunch and resumed at 1300 in the afternoon. In the afternoon session, U Maung Maung Htwe of the Mro or Khami National Solidarity Organization, and U Yaw Aye Hla of the Lahu National Development Party read and presented their parties' reports on suggestions. The meeting was again adjourned at 1350 for afternoon tea and resumed at 1430. During this session, U Maw Koe, alias U Sai Lon, read and presented the Wa National Development Party's report on suggestions. The meeting ended at 1510 in the evening.

The group representing national races held its panel discussion on the same subject at 1000 this morning in Meeting Room No. 1. U Naing San Shein from Mon State chaired the meeting and U San Tun acted as secretary. After an opening speech by the chairman, the following delegates held discussions and presented suggestions: U Sein Win from Irrawaddy Division, U Tint Swe from Kachin State, and U Ku Win Naung from Karen State. After the presentations the chairman gave a closing speech. The meeting ended at 1100 in the morning and it was decided to continue the discussions at 1000 on 2 July.

The public service personnel group held its panel discussion on the same subject at 1000 this morning in Meeting Room No. 8. U Ant Maung from the Ministry of Religious Affairs chaired the meeting, while U Hla Win acted as secretary.

After an opening speech by the chairman, U Myint Swe from the Ministry of Cooperatives held a discussion and presented suggestions. Then the chairman gave a closing speech. The meeting ended at 1040 in the morning and decided to hold the next discussion at 1000 on 30 June.

Delegate Group Continues Talks 29 Jun

BK3006073293 Rangoon Radio Burma in Burmese
1330 GMT 29 Jun 93

[Text] The National Convention delegates group representing special invitees today continued their panel discussion on the prescription of the fundamental principles of state at 1000 this morning at meeting hall no. 2 in the Kyaikkasan Grounds, Yangon [Rangoon].

The panel discussion was chaired by U Sai Aung Tun, vice chairman of the Myanmar [Burma] History Board, while U Soe Lwin acted as secretary of the meeting.

After an opening speech by the alternate chairman, convention delegate U Ko, retired ambassador, held a discussion and presented suggestions. After the presentation, the chairman gave a closing speech. The meeting ended at 1045 and it was decided to continue the discussions at 1000 on 2 July.

Public Service Delegates Meet 30 Jun

BK0107085793 Rangoon Radio Burma in Burmese
1330 GMT 30 Jun 93

[Text] National Convention delegates representing public service personnel today continued their panel discussion on the prescription of the fundamental principles of state to be included in the state constitution at 1000 this morning at meeting hall no. 8 in the Kyaikkasan Grounds, Yangon [Rangoon].

The discussion was chaired by Lieutenant Colonel Thaik Tun from the Defense Ministry, while U Hla Win acted as secretary of the meeting.

After the opening speech by the alternate chairman, convention delegate U Maung Maung from the Ministry of Hotel and Tourism held a discussion and presented suggestions. After the presentation, the chairman gave the closing speech. The meeting ended at 1045 in the morning and it was decided to continue the discussions at 1000 on 2 July.

Rangoon Reaffirms Halting Timber Concessions

BK2906133193 Rangoon Burma Television Network in Burmese 1330 GMT 28 Jun 93

[Text] The 19 June issue of THE NATION newspaper published in Thailand carried the news item "Loggers Urge Suthep To Talk to Rangoon" reported by Aphisak Thanasetthakon. The news read: "A group of Thai timber loggers is to seek Deputy Agriculture Minister Suthep Thaugsuban's help talking Burma into extending their timber concessions, which expire at the end of the year. The group, which is in the process of forming a body named the Timber Federation, fears its business will go bust if Rangoon insists on ending their concessions. The managing director of the logging company Chao Phraya-Irawadee, Theerasak Jatuaphonprasit, speaking in his capacity as public relations officer of the

Timber Federation, said the federation hoped to meet the minister to discuss their problems before he leaves for Burma.

One timber trading source said the main stumbling block is that the Burmese are miffed with Bangkok's attitude where protocol is concerned and believes Thailand does give Burma enough importance. [sentence as heard] An indication of Rangoon's displeasure was when its Agriculture and Forestry Minister Lieutenant General Chit Swe turned down an official invitation from Suthep to visit Thailand to discuss the timber problem, citing a busy work schedule.

The source said it was apparent that the Burmese minister rejected the invitation because it came from someone ranking below him, indicating that the Thai Government did not take the Burmese regime seriously. Otherwise, the foreign minister would have gone there first to lay the groundwork followed by the concerned officials to work out details. However, the Burmese minister informed Suthep he was prepared to meet the Thai deputy minister for negotiations if he were to come to Rangoon.

Furthermore, the 22 June issue of the BANGKOK POST, which is published in Thailand, also carried the news item "Suthep To Press Burma on logs". The item says: "Deputy Agriculture and Cooperatives Minister Suthep Thuaksuban yesterday said he planned to visit Rangoon in August to try to persuade the ruling military junta to extend the logging concessions for Thai merchants. Mr. Suthep said he has informally told the Burmese Government of his travel plan. 'I will discuss only logging issues and nothing else. I am just waiting for a formal letter from Rangoon confirming my planned visit,' the minister said.

Mr. Suthep's planned visit to Burma came after the Burmese Government informed Thai businessmen it will not extend the 47 logging concessions granted to Thailand along the Thai-Burmese border when the agreements expire at the end of this year. The Thai Embassy in Rangoon has informed the state-owned Forestry Industry Organization that at the end of the year logging concessions will only be granted to Burmese firms. The Burmese companies will be allowed to sell timber to Thai firms, but only produce exported by sea through ports at Rangoon and opposite Ranong Province, not overland through border checkpoints.

A source in a federation representing the Thai concessions said the Thai delegation should try to convince Rangoon to soften its policy by allowing the transport of timber through border checkpoints. The Burmese Government's announcement not to extend the logging concessions for Thai firms is allegedly due to Bangkok's support for Burmese minority rebels. Burma might not strictly adhere to its new policy and the results of the visit will depend on how much the delegation can make Burma understand Thailand's policy on Burmese minority groups, the source said.

With regards to these two news items, the following were received from responsible personnel of the Ministry of Forestry Affairs.

Granting logging concessions to Thai timber firms at the Burma-Thai border was not done with the bilateral agreement of both governments. At that time, logging was banned by royal decree because of the changes in the forestry situation in Thailand. The Ministry of Forestry Affairs after selecting regions had granted short-term logging concessions in order to prevent illegal timber smuggling by border timber traders in collaboration with insurgents at the Burma-Thai border at that time. While carrying out their major duties, the defense services personnel on front line duty at the border areas have been frequently exposing incidents of illegal felling of trees by unscrupulous border traders. The role of the defense services is neither to arrest timber smuggling nor guard logs but to widely undertake the defense and security responsibilities of the nation. The basic requirement for the conservation of forests is for Forestry Department personnel to enter the forests in person to make observations and to take necessary measurements. The defense services, on the other hand, has to be engaged in forest conservation and preventing unscrupulous acts because our forestry department personnel cannot go to the border regions to perform their duties extensively due to the security situation there.

Not so long ago, when about 7,000 illegal teak and hardwood logs were seized in Myawadi Township the Defense Services had to take responsibility for looking after the seized logs. When the teak logs were transferred to Thingannyinaung some Defense Services and Forestry Department personnel lost their lives and limbs because of mines planted by the insurgents. Similar heart-breaking incidents have been occurring frequently in either one place or another and we feel very sad about them. For the conservation of the entire border forest region, the Burma-Thai border which is about 2,300 km long, especially needs a good security situation. We are cautiously trying to balance the conservation of forests and timber extraction. There is a great need for Burma to establish natural forests, natural parks, and marine parks. Most of the regions in the Burma-Thai border area are water catchment areas for both Thailand and Burma. That is the reason why priority is being given to conserve the forests on our side.

Most international companies, due to the worldwide scarcity of raw timber, have expressed their desire to invest in Burma after aerial surveying of forests for timber extraction. We are making careful considerations of those proposals. We are also considerate of our neighboring country Thailand's need for raw materials to fulfill the market demand as favorable situations evolve in investments and the industrial base, but we only look for the long-term future. Only long-term planning for timber extraction can prove beneficial to forest conservation. Short-term planning should be practiced only when it is not possible to implement medium- and long-term planning. We have come to realize that

short-term planning is beneficial only to a group of persons and not to our country.

The Ministry of Forestry Affairs, putting into consideration the above mentioned situations and the experience of the past four years, have decided to halt all logging concessions in the border regions by year's end. In the present situation, there are companies whose concession grants have expired and there are also companies whose concession grants have not expired and are still continuing their work. There are no plans to extend concessions to those companies whose grants have expired and those companies whose concession grants have not expired will be urged to stop their activities by the end of 1993 as previously announced.

If the security situation in the border region improves and long-term planning can be envisaged, local people will be given priority for border logging concessions and help and encouragement will be given step by step until they are able to export semi-finished or finished timber-based industry products rather than exporting logs. For foreign investors who wish to invest in Burma for mutual benefit, consideration will be given only for joint cooperation within the country.

We express our thanks to the Thai deputy agriculture and cooperatives minister who handles the Thai Forestry Department for his invitation extended to our forestry affairs minister to visit Thailand which was received through the Thai Forestry Industry Organization, FIO. Similarly, ministerial-level persons from some Asian countries have also extended invitations to our forestry affairs minister to visit their respective countries. The forestry affairs minister, who is currently very busy with his local responsibilities and work schedule, is unable to make any specific dates. Further discussions will be held to choose a more convenient time for both parties. Although the situation does not permit the forestry affairs minister to visit Thailand, an invitation has been extended to the Thai agriculture and cooperatives minister to visit Burma if he wishes to do so.

Facts written by some foreign journalists sometimes slightly differ with the real situation in Burma. The Forestry Affairs Ministry is cautiously trying for compatibility between the conservation of forests and timber extraction in Burma. The decision to stop border logging concessions by year's end is for the long-term benefit of the country and the people and for the prevailing need to preserve the forests and catchment areas along the border regions for the benefit of both countries. This decision was made by the Forestry Affairs Ministry.

It has been learned that the allegations made by THE NATION and BANGKOK POST newspapers that Forestry Affairs Minister Lieutenant General Chit Swe turned down Thai Deputy Agriculture Minister Suthep Thuaksuban's invitation for other political reasons is untrue.

Yunnan Provincial Delegation Arrives 30 Jun

*BK0107075893 Rangoon Radio Burma in Burmese
1330 GMT 30 Jun 93*

[Text] Mr. Pu Chaozhu, special adviser to the Yunnan provincial government of the People's Republic of China, and a 13-member delegation arrived in Yangon [Rangoon] by air this afternoon. The delegation was welcomed at Yangon airport by Trade Minister Lieutenant General Tun Kyi, Deputy Foreign Minister U Nyunt Swe, responsible personnel from the Ministry of Foreign Affairs, PRC Embassy Charge d'Affaires Mr. (Hu Hweziang), and embassy officials.

Mr. Pu Chaozhu and party accompanied by Charge d'Affaires Mr. (Hu Hweziang) called on Deputy Foreign Minister U Nyunt Swe at Karaweik Hall at 1830 this evening. Deputy Foreign Minister U Nyunt Swe later hosted a dinner in honor of the visiting guests at Karaweik Hall.

17 Male Detainees Released From Insein, Pakkoku

*BK2506153593 Rangoon Radio Burma in Burmese
1330 GMT 25 Jun 93*

[Text] It has been learned that 17 male detainees against whom action was taken under existing laws and who were serving their sentences have been released today from Insein Central Jail and Pakokku Jail after the remainders of their sentences were commuted according to Declaration No. 11/92 of the State Law and Order Restoration Council.

Brunei, Malaysia & Singapore

Malaysia

Government 'Strongly Condemns' U.S. Strike on Iraq

*BK0107075493 Kuala Lumpur BERNAMA in English
0725 GMT 1 Jul 93*

[Text] Kuala Lumpur, July 1 (OANA-BERNAMA)—Malaysia strongly condemns the United States' missile attack on Iraq, Deputy Prime Minister Ghafar Baba said Thursday. Although Malaysia considers the United States a friend which has contributed to its economy, the condemnation of the attack was based on principles, he said. Looking up to the United States as a friend does not mean that we cannot criticise it when its actions go contrary to our policies, he told reporters.

The decision is a matter of policy, he said, adding that the United States had no justification for the attack although it blamed Iraq for attempting to assassinate former US president George Bush when he visited Kuwait. The United States had fired 23 Tomahawk cruise missiles from two warships at Iraq's intelligence agency headquarters last Sunday, killing eight civilians.

Ghaffar said the US attack violated international norms and practices.

UNSC Review of Bosnia Resolution Urged

BK3006152193 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 30 Jun 93

[Text] Malaysia once again called on the United Nations Security Council to review Resolution 713 which imposes an arms embargo on Bosnia, in an effort to stop the atrocities committed against them by armed Serbs. Malaysia's permanent representative to the world body, Tan Sri Razali Ismail, said the embargo was inapplicable because the resolution was passed before Bosnia declared its independence from former Yugoslavia. The attitude of certain nations has become an obstacle to the review of the resolution. He said this when addressing the council meeting before he voted on the resolution in New York today. The text of his speech was released in Kuala Lumpur.

He said no one could dispute that the embargo in reality had affected only the Bosnians and the council's denial of this right has led to the slaughtering of the Bosnian Muslims. The council has adopted more than 40 resolutions on the Bosnian issue in 1991 and nothing had been implemented effectively. The council had failed to carry out its responsibilities according to the UN Charter No: 24.

Tan Sri Razali said the abandonment of the Vance-Owen peace plan in favor of Milosevic's proposal had caused the situation to deteriorate further as it meant legitimizing Serbian acquisition of territories through the use of force. The UNSC has a choice whether to take stern action in line with its responsibility in accordance with Article 24 or to withdraw weapons from Bosnia.

Minister on Indonesia's Stand on Islands Dispute

BK2806142493 Kuala Lumpur NEW STRAITS TIMES in English 27 Jun 93 p 5

[Text] Sik, Saturday—Foreign Minister Datuk Abdullah Ahmad Badawi today welcomed Indonesia's stand to resolve the dispute between the two countries over Sipadan and Ligitan islands through diplomatic channel. He said the stand displayed Indonesia's spirit of regional cooperation.

Speaking to newsmen at his meeting with Sik UMNO [United Malays National Organization] branch leaders, Abdullah said: "The matter will be discussed at Malaysia-Indonesia General Border Committee meeting." He said the dispute would be resolved amicably without use of military force.

He was commenting on Indonesian Armed Forces Chief General Feisal Tanjung's statement yesterday that the issue would be resolved through diplomatic channel.

Home Ministry Bars Entry by Blacklisted Chinese

BK2606143293 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 26 Jun 93

[Text] The Home Affairs Ministry has blacklisted 500 Chinese who had lived in Malaysia in the 1950s, declaring them persona non grata. Deputy Minister Datuk Megat Junid Megat Ayub said these people fled to China after committing serious crimes and sparking racial clashes. The government had barred them from entering the country by not issuing entry visas. It did so in order to prevent them from getting involved in any negative activities. He said they were believed to be between 50 and 60 years old now.

He told newsmen at Kampung Gajah, Perak today that the authorities are still monitoring their movements and activities so they cannot gain entry into the country either individually or in groups. He also said about 2,500 Malaysians had been identified by police as having fled to other countries, including China, for minor crimes or other reasons. However, these people can return to the country.

Cambodia

Constituent Assembly Approves New Government

BK0107050693 Hong Kong AFP in English 0456 GMT 1 Jul 93

[Text] PHNOM PENH, July 1 (AFP)—Cambodia's newly elected constituent assembly approved a coalition government Thursday and adopted a resolution setting the political course for the future.

"The members of the government come from four parties represented here, and I think we are talking about democracy," co-president Prince Norodom Ranariddh, head of the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, said. FUNCINPEC, which won the U.N.-run election in May, and the incumbent Cambodian People's Party (CPP) jointly control the powerful defense and interior ministries.

FUNCINPEC won the foreign affairs, finance and industry posts, while CPP will control justice, information and culture. In every case where a minister was from one party, the deputy was from the other.

The smaller Buddhist Liberal Democratic Party (BLDP) received three smaller portfolios, while the Moulinaka [National Liberation Movement of Cambodia] party—which one won seat in the assembly—received charge of veteran's affairs.

CPP has one more ministry than FUNCINPEC, but a senior U.N. official said the difference could be attributed to the fact that FUNCINPEC has the more powerful posts.

"FUNCINPEC has to make concession in having one less (minister) for the sake of peace and national reconciliation," Prince Ranariddh said.

The program of action outlined the main objectives of the new government as "the continued implementation of the national reconciliation policy, the promotion of respect for fundamental human rights and liberty, and the restoration and development of the national economy initiated by (Prince Norodom Sihanouk)."

AFP Lists Interim Council of Ministers

BK0107052293 Hong Kong AFP in English 0501 GMT 1 Jul 93

[Text] PHNOM PENH, July 1 (AFP)—Cambodia's newly elected constituent assembly Thursday approved the council of ministers to serve in the interim period while a constitution is being drafted.

The new government is a coalition made up of representatives from the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, the incumbent Cambodian People's Party (CPP) and the Buddhist Liberal Democratic Party (BLDP), plus the smaller Moulinaka [National Liberation Movement of Cambodia] party, which received one ministry.

Co-presidents:	Prince Norodom Ranariddh (FUNCINPEC) Hun Sen (CPP)
Deputy premiers:	Ung Phan Keat Chhon
Defense, Interior, and Public Security:	Prince Ranariddh Hun Sen
Cabinet Ministers:	Sok An Veng Sereivut
Ministers of State:	Oeng Keat Hor Namhong Van Molivan
Foreign Affairs:	Prince Norodom Sirivut
Economy and Finance:	Sam Rangsi
Mines and Industry:	Pou Suthirak
Energy:	Oeng Keat
Post and Communication:	Ung Huot
Higher Education and Technology:	Tol Lah
Tourism:	Roland Eng
Public Health:	Hong Sunhuot
Religion:	Chhim Siekleng
Public Works:	Oeng Keat
Information:	Khieu Kanharit
Justice:	Chem Snguon

Commerce and Trade:	Va Huot
Agriculture:	Kong Sam-Ol
Transport:	So Khun
Labor and Social Action:	Suy Sem
Environment:	Mok Maret
Education:	Mom Chimhuy
Planning:	Chea Chanto
Culture and Fine Arts:	Nut Narang
Public Service:	Prak Sok
Rural Development:	Thach Reng
Women, Youth and Sports:	Keat Sukun
Relations with the National Assembly:	Say Borey
Veteran's Affairs:	Prum Neakreach
National Bank:	Thor Pengleat

Son Sann Speaks at 30 Jun Assembly Session

BK0107060993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 30 Jun 93

[Speech by Son Sann, chairman of the Constituent Assembly, at the opening of the Constituent Assembly's first session in Phnom Penh on 30 June—recorded]

[Text] Dear Prince Kromluong [Prince Ranariddh's new royal title], princes, princesses, excellencies, and madams. Today, I feel highly honored by the trust of the princes, princesses, and excellencies—the distinguished members of the Constituent Assembly—who have elected me as the chairman of the Constituent Assembly of Cambodia. I would like to profoundly thank Prince Kromluong and the princes, princesses, excellencies, and madams for this.

Dear Prince Kromluong, princes, princesses, excellencies, and madams: I am of the opinion that today is a historic day after we listened to the speech made by our prince head of state on 14 June, which we also consider as a historic day. We have concurred in conferring full power on the prince head of state, enabling him to help (?save) our country from disaster. I hold that today is the beginning of another phase of our good process toward a genuine national reconciliation, peace, and democracy with which our Cambodia can be rebuilt. For decades, I have maintained that only this national reconciliation can help salvage our nation. If we are united, our nation will survive. However, if we are divided, our nation will die. So the important and necessary factor for maintaining the national reconciliation's stability is the strict observance of the national reconciliation itself.

Although the 120 members of our Constituent Assembly are from various political parties, we were born from the same mother, that is Cambodia. Today, all of us are the members of the Constituent Assembly of our only nation, that is the Cambodian nation. The efficiency of

the tasks that we will undertake from now on will be from our determination to place our nation's interests above the interests of each party.

Dear Prince Kromluong, princes, princesses, excellencies, and madams: It is true that part of the tasks of the Cambodian politicians at present is temporary, but I am of the view that if we could effectively accomplish it, it will be endowed with a stable, lasting, and immortal character. Our present tasks are already defined in the speech made by the prince head of state when he opened the Constituent Assembly on 14 June. The prince elaborated on what the people, who are owners of Cambodia's land and water territory and who have elected all of us, earnestly want from us and want us to achieve and do. All of us have the greatest mission to serve the Cambodian people, who are the owners of the ballots and whom I also consider as our masters.

We should perform our tasks so as to show gratitude to the ballot owners who believe in us. Before asking gods to help us, we should first strive to help and save our country, our people, some of whom are also present, and ourselves.

Availing myself of this opportunity, I would like to thank UNTAC [UN Transitional Authority in Cambodia] officials, especially Their Excellencies Yasushi Akashi, Behrooz Sadry, General John Sanderson, Ataul Karim, and so on, who have displayed great efforts to help our Cambodia, serving the cause of peace of our country. Now, I would like to be permitted to also express my thanks to national and international correspondents who have attentively followed up the situation in our Cambodia. And I would like to heartily thank H.E. [name indistinct] and [name indistinct] and their staff for their efforts in organizing and making this solemn ceremony successful. Thank you.

Before concluding, I would like to express my hope that our Constituent Assembly will meticulously carry out its duty, will be well disciplined, and will be devotedly loyal to the nation, contributing to leading our Cambodian ship, under the leadership of our head of state, toward the shore of happiness. Thank you.

AFP Outlines New Government's Action Plan

BK0107072493 Hong Kong AFP in English 0705 GMT 1 Jul 93

[Text] PHNOM PENH, July 1 (AFP)—The new interim Cambodian government pledged Thursday to end corruption, negotiate border disputes with its neighbors and stabilize and develop the country. The pledges were outlined in a program of action adopted by the newly elected constituent assembly.

"In the three months ahead, the provisional government will make every effort to establish the national army and security forces...(and) come up with clear-cut guarantees that vengeful acts will not happen, and the present legal

ownership of the people and their employment will be respected and ensured," it said.

"These are aimed at making people feel more confident and stable when performing their jobs, ...encouraging respect for human rights and wiping out corruption," the policy said.

The policy called for peaceful relations with the neighboring countries, Vietnam, Thailand and Laos.

"All eventual disputes arisen between Cambodia and foreign countries will be solved by peaceful means," it said. "Subject to its needs and possibility, the provisional national government will set up embassies and appoint its ambassadors to friendly countries. The government will endeavor to start gradually solving the immigration issue."

The immigration issue refers to the thousands of Vietnamese settlers living in Cambodia, some for several generations.

The government also pledged to protect natural resources, including forests, "through the application of strict regulations concerning the exploitation." It said repair of the country's communication and transport infrastructure were high priorities, as well as improving sanitation in urban areas.

In the area of finance, the government pledged to properly collect tax revenue and strictly control expenditures. It also promised great strides in education and improvement of social welfare and health care.

"In this historical and difficult interim period, the provisional national government would like to appeal for the patriotic spirit and monolithic unity between the government and people, regardless of their political tendencies, in order to restore and rebuild the nation in peace, stability and security," it said.

Assembly Votes To Keep Laws of Former Government

BK0107084693 Hong Kong AFP in English 0823 GMT 1 Jul 93

[By Sheri Prasso]

[Excerpts] Phnom Penh, July 1 (AFP)—Cambodia's newly elected constituent assembly approved a coalition government Thursday and adopted a resolution setting the political course for the country's future. Sparking its first real debate, the 120-member assembly also voted to maintain the laws of the incumbent, formerly communist Phnom Penh government.

"Using the old laws is better than having no laws," said co-president Hun Sen, who faced vocal objection from several opposition party members. "It would take a long time to write new laws, and the existing laws have already been approved by UNTAC," the U.N. Transitional Authority in Cambodia, he said.

Hun Sen's co-president, Prince Norodom Ranariddh of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, and his 58 delegates agreed to accept the laws on condition that they could be changed by a joint review committee.

"I think it's a good start for liberal democracy for Cambodia," the prince said of the debate.

In the new government line-up, FUNCINPEC, which won the U.N.-run election in May, and the incumbent Cambodian People's Party (CPP) jointly control the powerful defense and interior ministries. FUNCINPEC won the foreign affairs, finance and industry posts, while CPP will control justice, information and culture. In every case where a minister was from one party, the deputy was from the other.

The smaller Buddhist Liberal Democratic Party (BLDP) received three smaller portfolios, while the Moulinaka party [National Liberation Movement of Cambodia]—which won one seat in the assembly—received charge of veteran's affairs.

CPP has one more ministry than FUNCINPEC, but a senior U.N. official said the difference could be attributed to the fact that FUNCINPEC has the more powerful posts.

"FUNCINPEC has to make a concession in having one less (minister) for the sake of peace and national reconciliation," Prince Ranariddh said.

In outlining the government's course of action, the assembly defined its main objectives as "the continued implementation of the national reconciliation policy, the promotion of respect for fundamental human rights and liberty, and the restoration and development of the national economy initiated by (Prince Norodom Sihanouk)."

It also pledged to end corruption, negotiate border disputes with its neighbors and stabilize and develop the country. [passage omitted]

The assembly also voted November 9, the date in 1953 when Cambodia was liberated from the French protectorate, as its national day. In choosing the day, assembly members rejected the liberation days of Cambodia's previous three regimes—the Lon Nol coup in 1970, the Khmer Rouge victory in 1975, and the Phnom Penh government's installation in 1979.

In addition, the assembly's newly formed rules, constitution and legal committees will begin daily work from Monday [5 July], government officials said.

Khmer Rouge Envoys in Capital To Discuss Future

BK0107042693 Hong Kong AFP in English 0412 GMT
1 Jul 93

[Text] PHNOM PENH, July 1 (AFP)—Two envoys of Khmer Rouge nominal leader Khieu Samphan arrived here Thursday to discuss the faction's future in changing Cambodia, and to meet with U.N. officials to discuss the guerrillas' possible inclusion in a unified Cambodian army. Their arrival ended a 10-week self-imposed exile by the faction, which closed up its office and fled in April saying its members feared arrest by the Phnom Penh government. The two, Khmer Rouge former ambassador to Beijing Chan Youran and spokesman Mak Ben, arrived on a commercial flight for a morning meeting with Prince Norodom Sihanouk.

In letters to arrange the meeting, Khieu Samphan said his envoys were seeking the head of state's advice in the changing situation.

"I will report after the meeting to His Excellency Khieu Samphan the assessment of the situation by Samdech Preah Norodom Sihanouk," Chan Youran told reporters at the airport before being driven to the Royal Palace in a palace car.

"Secondly we are coming here to prepare the next return of President Khieu Samphan in Phnom Penh and besides that I will seize the occasion to meet some friends and people in Phnom Penh," he said.

Khieu Samphan had also requested that they meet U.N. Transitional Authority in Cambodia (UNTAC) force commander Lieutenant General John Sanderson on Thursday or Friday.

Mak Ben said the meeting had not yet been confirmed, and there was a possibility they would have to stay overnight in Phnom Penh and return to Bangkok the following day. However, several faction officials planned to return to the Khmer Rouge compound adjacent to the Royal Palace to prepare for the return of Khieu Samphan. His arrival date has not yet been determined.

A new government in Cambodia, elected in U.N.-organized polls in May, now incorporates two of the Khmer Rouge's former allies, FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Khmer People's National Liberation Front (KPNLF). Those parties' leaders are respectively co-president of the interim government and chairman of the constituent assembly.

'Satisfied' With Meeting Results

BK0107101693 Hong Kong AFP in English 0954 GMT
1 Jul 93

[Text] Phnom Penh, July 1 (AFP)—Two envoys of Khmer Rouge nominal leader Khieu Samphan met the

U.N. peacekeeping force commander here Thursday to discuss the possible inclusion of the guerrillas in a united armed forces.

"We have to talk more after. I am satisfied about the meeting today," Chan Youran, the faction's former ambassador to Beijing, said on coming out of the meeting.

U.N. force commander Lieutenant General John Sanderson of Australia returned early from northwest Banteay Meanchey province in order to meet the faction representatives, a U.N. spokesman said. Sanderson had gone to the northwest to seek a meeting with Khmer Rouge generals, which never materialized, spokesman Eric Falt said.

"All that is happening here is opening channels of communication," he said. "It's more of just starting to talk about various issues."

"Matters of substance were of course discussed," he said, declining to say what they were.

The Khmer Rouge were responding to an invitation from Sanderson, who asked them to join the newly unified Cambodian Armed Forces, which groups the two former allies of the Khmer Rouge with their former enemies in the Phnom Penh government.

Asked if they were willing to join the new army, Khmer Rouge spokesman Mak Ben was evasive. "There is no problem. We are working very hard for national reconciliation," he said. "We always support the principle of national reconciliation of the four Cambodian parties, but some technical procedures should be worked out."

The two envoys had said on their arrival that they were here to prepare for the arrival of Khieu Samphan, who said in a letter that he would like to meet Sanderson. The Khmer Rouge leader is due to end a 10-week, self-imposed exile next week, returning to meet Prince Norodom Sihanouk before he heads off to Pyongyang on July 11.

"As soon as (Prince Sihanouk's) guidelines and directives are effectively implemented, then there will be a unified Cambodia," Mak Ben said.

Akashi Promises Prompt Emergency Aid

BK3006053693 Hong Kong AFP in English 0437 GMT 30 Jun 93

[Text] PHNOM PENH, June 30 (AFP)—The United Nations will try to get aid flowing promptly to the broke new Cambodian government, the chief of the U.N. peacekeeping mission Yasushi Akashi said Tuesday.

"If this new Cambodia cannot make forward steps it would be a great pity, so we are attaching the greatest importance to emergency financial assistance," Akashi told reporters during a break in a meeting of the country's newly formed constituent assembly. We hope that

budgetary support will come as soon as possible and I may be going to New York to discuss this matter among other things," Akashi said.

The United Nations asked donors in mid-June to pledge 30 million U.S. dollars to pay the military, police and civil servants' wages. But the money has yet to appear.

Akashi acknowledged the sum was minor compared to the two billion dollar cost of the country's U.N. peacekeeping mission, and said he recognised the urgency of the issue.

"I think it is a matter of a few weeks. We are trying our best to shorten that period," he said.

Many of the country's civil servants have often gone without wages for months at a time and there have been reports of government employees selling off state property and furniture and keeping the proceeds. The new government issued a declaration Monday calling on all civil servants to respect state property.

Further budgetary support would follow the emergency assistance, Akashi said.

"There's a lot of interest on the part of governments to assist Cambodia with this difficult stage," he said.

The World Bank, the International Monetary Fund and the Asian Development Bank are also interested in granting loans Cambodia, he said.

"But it will take several weeks, even a couple of months, before some of this assistance will be actually received in Cambodia," Akashi said.

A 64 million dollar World Bank loan was scuttled in February when the FUNCINPEC party opposed it on the grounds that the money would help its opponents in the Phnom Penh government.

Indonesia

Malaysian Minister Supports Suharto on Bosnia

BK2806153293 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 28 Jun 93

[Text] Malaysia supports President Suharto's call to the United Nations in his capacity as chairman of the Nonaligned Movement, NAM, to lift the arms embargo on besieged Bosnia. Information Minister Datuk Mohamed Rahmat said Malaysia wants to see more solidarity from the world community to end the atrocities inflicted on the Bosnian people by the Serb aggressors. Concrete steps should be taken by the international community, especially countries of the NAM and the OIC [Organization of Islamic Conference] to enable to Bosnian people to protect themselves.

He said this to reporters in Lamongan, East Java. Datuk Mohamed Rahmat is in Surabaya to lead a government-organized people's communications and information

group for a five-day visit to East Java. The group is doing a comparative study on programs and activities aimed at motivating the rural population to take an active part in development projects carried out by similar local groups.

Singaporean Minister on Investment in Indonesia

BK2906144693 Singapore THE STRAITS TIMES in English 29 Jun 93 p 1

[By Paul Jacob, Jakarta correspondent]

[Text] Jakarta—Trade and Industry Minister S. Dhanabalan said Indonesia would continue to be an important area for Singapore investments.

But, he added that there was no denying the new opportunities elsewhere, which were now also competing for investment dollars.

He said after meetings here yesterday with Indonesian investment, trade, and industry ministers that the Singapore Government could at best encourage businessmen to venture overseas to countries like Indonesia, "but they make their own final decisions" where to place their money.

"We can only encourage, but they have to study the feasibility and make their own assessment of risk and make the decisions.

"That is the way we operate in Singapore," he told reporters after meeting Investment Minister Sanyoto Sastrowardoyo at the start of a three-day official visit here.

Singapore is already a major investor in Indonesia with cumulative investments from 1969 until the end of May this year amounting to U.S. \$2.55 billion (\$ [Singapore] \$4.13 billion) in 209 projects across the country.

This makes Singapore the sixth largest foreign investor in Indonesia after Japan, Hongkong, Taiwan, the United States, and South Korea.

Mr. Dhanabalan said he did not expect to see a change in attitude among businessmen towards Indonesia because the country still provided opportunities and remained attractive.

Businessmen were also more familiar with countries in the region, like Indonesia and Malaysia.

"But one must also recognise that there are new opportunities elsewhere—in China, Vietnam, and even India ... Businessmen will also go there," he said.

"The world has become a far more competitive place for foreign investment, and we ourselves have to compete with these places and have to make sure we are attractive enough for investors coming to Singapore."

Mr. Dhanabalan said it was clear to him during talks here that Indonesian policy makers were conscious of

such developments and were doing everything to ensure that Indonesia remained attractive.

The government's resolve was demonstrated in its recent economic deregulation package which slashed tariffs in a wide range of areas, opened up several previously protected sectors, and was aimed at encouraging fresh investment in export-oriented industries.

Although these measures fell short of the expectations of businessmen, investors, economists and analysts, the government has promised further steps by the end of the year.

Mr. Dhanabalan described the recent measures as "a move in the right direction" and said it was "a right response to what is happening in the investment world."

The minister who arrived here in the morning went directly into talks with Industry Minister Tunky Ariwibowo and later with Coordinating Minister for Trade and Industry Hartarto.

He met businessmen over lunch before proceeding to Investment Minister Sanyoto's office and after that for talks with Tourism, Post, and Telecommunications Minister Joop Ave.

Mr. Tunky said their meeting covered the progress of private-sector joint-cooperation projects now under way in Bintan and Karimun islands in the Riau Province, just south of Singapore.

These projects included infrastructure developments on Bintan that would support the construction of resort and industrial areas and a proposed oil terminal and ship-repair yards on Karimun.

They also discussed the water resources development scheme in central Bintan's Anculai area which is one of the projects that will supply water to Singapore eventually.

While both he and Mr. Dhanabalan assessed that the cooperation and work were progressing well on Bintan, plans for projects on Karimun were still being discussed.

Mr. Tunky told reporters he was optimistic that investments in Bintan which is the larger island neighbouring Batam would continue to grow because industries in Singapore faced with labour shortage were likely to shift to the island.

He produced recently-taken photographs from a file and showed the extent of road and land clearing work that has taken place and added that a ferry terminal for tourists was also nearing completion.

Mr. Dhanabalan who attended a dinner hosted last night by Mr. Tunky is scheduled to call today on Vice President Try Sutrisno and hold talks with Trade Minister Satrio Budiharjo Yudono and Finance Minister Mar'ie Muhammad.

Meets Suharto

BK3006144493 Jakarta ANTARA in English 1420 GMT 30 Jun 93

[Text] Jakarta, June 30, (ANTARA) - President Suharto urged Singapore to help finance the projects in developing countries in effort to reduce dependency on developed countries and minimize the costs.

"But still such an assistance should be given with a consideration of commercial requirements," Industry Minister Tunky Ariwibowo quoted the president as saying after accompanying him in a meeting with Singaporean Minister of Trade and Industry Suppiah Dhanabalan here on Wednesday.

The Indonesian head of state told Dhanabalan, who was former minister of foreign affairs of Singapore, that Middle Eastern countries should also lend their weight to the effort of improving the South-South cooperation.

President [Suharto] pointed out that South-South cooperation could cut the project cost up to a third of that financed by industrial countries.

He told the Singaporean minister that if there are two or more member countries of ASEAN wanting to bind a cooperation then they could do so without waiting for the six member countries' approval.

He cited the example of cooperation in the growth triangle of Indonesia-Malaysia-Thailand.

The visiting Singaporean minister told the press that Goh Chok Tong administration thanks Indonesia for cooperation in the Sijori (Singapore-Malaysia-Indonesia) growth triangle.

Dhanabalan said that president had also informed him about his planned visit to Tokyo to attend the G-7 summit in his capacity as the chairman of the Non-aligned Movement (NAM).

Minister Expresses ASEAN Concern Over EC Trade

BK2806135893 Jakarta THE INDONESIA TIMES in English 23 Jun 93 p 1

[By our reporter]

[Text] Although bilateral trade between Indonesia and the European Community grew to U.S. \$10.2 billion in 1992, ASEAN is still concerned over some EC policies which directly affect the region's exports, Minister of Trade Affairs Prof. Dr. Satrio Budiharjo Yudono said at the opening of the European Community Familiarization Seminar here on Tuesday. The minister added that some issues like agricultural protection, the extension of preferential economic and political relations, the increasing unilateral imposition of a wide range of legal restrictions, and the single European market regulations are some of the constraints faced by ASEAN countries.

The minister for trade affairs observed that in parallel with its single market, the EC has adopted a new approach to its technical legislation, mechanisms, and procedures concerning standardization and quality assurance practices. The main reason, he said, is to ensure that only products that are safe and that meet health, environmental, and consumer protection requirements circulate in the EC.

"There is some concern that these regulations will serve to further restrict ASEAN export to the EC," the minister told his audience in the Ballroom of the Sahid Jaya Hotel yesterday.

However, he added, the EC has supported ASEAN's goal and has encouraged the region to develop and advance as a cohesive organization.

According to Budiharjo Yudono, this has caused ASEAN to prepare to enter 1993 by gradually introducing the ASEAN Free Trade Area (AFTA) based on the Indonesian formulation of the Common Effective Preferential Tariff (CEPT) system.

The minister gave his assurance that the AFTA will not harm EC's access to ASEAN markets in the future.

The minister said that trade between ASEAN and the EC has been growing steadily over the years with an average growth rate of almost 19 percent between 1987 to 1991. With trade recorded between the two at about 37.230 million ECUs [European Currency Units] in 1991, the EC continues to rank third among ASEAN's major trading partners.

As for Indonesia, the EC is the second largest partner after Japan.

Habibie Interviewed on Invitation to Dissidents

BK2806153593 Jakarta TEMPO in Indonesian 12 Jun 93 p 30

["Excerpts" of interview with State Minister of Research and Technology B.J. Habibie by TEMPO correspondent Linda Jalil in Jakarta on 3 June]

[Text] [Jalil] You have invited members of the Petisi 50 [Petition of 50] Group to visit the PAL [navy shipyard company]. Has the president [Suharto] given his approval for the visit?

[Habibie] Certainly. How could I have done something like this without the president's approval. I do not always take the initiative for whatever things I have done because all these things must be approved by the president first. I have worked for Pak Harto [President Suharto] for 20 years.

[Jalil] Does the invitation represent the government's move to woo the dissident group?

[Habibie] Not really. These people are also independence fighters. Among them, there are also members of

the 1945 Generation. In their advanced age, they are also entitled to witness the fruits of their sons and younger brothers in the technological field.

[Jalil] The problem is that the people you have invited are currently identified by the government as a dissident group.

[Habibie] Well, if that is the case, let me tell you that I met [former Jakarta governor] Ali Sadikin at an 'Id al-Fitr party at [former armed forces commander] Nasution's house and I spontaneously invited Mr. Ali to visit PAL.

[Jalil] You said you had invited Mr. Ali only, but other members of the Petisi 50 also went to visit PAL.

[Habibie] Well, if Mr. Ali agreed to go, why can't others join him?

[Jalil] Therefore, there is no problem even though they are viewed as dissidents?

[Habibie] No. Those who visited PAL were not only Mr. Ali and his friends, but also people like [pro-government retired military officers] Sumitro, Wiyogo, Hasnan Habib, and Sudomo. Therefore, I see no problem here.

[Jalil] What do you expect by inviting the Petisi 50 members?

[Habibie] Nothing. As a citizen who highly upholds the spirit of 1945 independence and believes that the spirit of 1945 will live forever, I am trying to promote this spirit in a scientific manner. Besides, I invited them without any political motive.

[Jalil] And the president fully understands your intention?

[Habibie] In this case, being himself an independence fighter and an exponent of the 1945 Generation, the president fully understands his fellow 1945 Generation members. I believe the president is very wise on this matter.

[Jalil] To whom does the idea of inviting these people belong to? Was it Mr. Suharto's own idea?

[Habibie] Frankly speaking, I met Ali Sadikin at Nasution's house at an 'Id al-Fitr party. He said to me that many people had criticized the performance of PAL, but I told him I had not learned about the criticism in the newspapers. I told him what the papers said about PAL was wrong. He said if it is wrong, I must disprove it. Well, I noticed he was also interested in PAL's performance and he wondered if he could visit the place. Then I reported this conversation to President Suharto, who said there would be no problem for Ali Sadikin to visit the place. The president told me that Ali Sadikit is entitled to know what is going on inside PAL. I decided to invite Ali Sadikit because I knew the president had a

magnanimous heart—he gives the same treatment to those who like him as well as to those who probably do not like him.

[Jalil] For this reason, many people describe you as a super minister with many talents.

[Habibie] (speaking in high-pitch) I am not a super minister. Not at all. I told my wife that I envy those who can lead a relaxed and enjoyable life. I wonder when I can have such a life. Of course, I want to have such a life. However, I look at the situation not only in terms of my own and my family's interests, but also those of the masses.

Commander Details ABRI Troop Development Plan

BK2906055593 Jakarta THE JAKARTA POST in English 17 Jun 93 p 2

[Text] Jakarta (JP)—The Armed Forces (ABRI) will give priority to improving the quality of its human resources in the next five years, Commander in Chief General Feisal Tanjung says.

ABRI's next five-year strategic plan will be geared to turn it into a more professional, effective, efficient and modern military organization, Feisal told a hearing with the House of Representatives's Commission I on security affairs yesterday.

"All leaders in every echelon will be given the task to accelerate the professionalism of their units," he said.

ABRI is strengthening its education and training system including the ones being applied at the various military academies and the staff and command colleges, he said, adding training cooperation with ABRI's foreign counterparts such as in Japan, Australia and the United States will also be enhanced.

Another plan being considered is to expand the recruitment system to allow university graduates to join the military after graduation, Gen. Feisal said.

"They will be taught in a special military program and will be deployed in fields in accordance to their expertise," he said.

The Army, the Navy, the Air Force and the National Police have also begun cooperation with the Open University to allow their members to participate in its various degree programs, he added.

This is Feisal's first appearance before the House since assuming the number one post in ABRI last month. He was accompanied by the three chiefs of staff and the chief of the National Police.

Feisal said ABRI's top commanders will meet next month to discuss President Suharto's order to carry out a thorough consolidation in the military following a major leadership reshuffle.

The order was given by Suharto, ABRI's supreme commander, shortly after he appointed Feisal as ABRI chief.

The meeting will evaluate the progress ABRI has made and formulate its targets in its capacity as a defense force as well as a socio-political force, Feisal said.

He also reiterated ABRI's "Back to Basic" program as part of its efforts at enhancing the professionalism of its troops.

The program was first coined by Feisal's predecessor Edi Sudrajat, concurrently the minister of defense and security.

Edi told the same commission on Tuesday that this concept should not be equated with "Back to Barracks" which those who oppose ABRI's role in politics have been seeking.

Feisal also denied suggestions that ABRI and Minister of Research and Technology B.J. Habibie are at odds over the purchase of Hawk fighter jets from Britain.

"I don't see any difference in opinion on the issue," he said.

The military was forced to issue a clarification early this year when Habibie suggested that Indonesia was planning to buy 100 Hawk planes when the Air Force was actually negotiating for 24.

Feisal said Habibie was not wrong since he was talking of the military's needs for the next 25 years.

Each of the Air Force's five squadrons needs between 20 to 22 planes to protect the large archipelago from the air.

In the first phase, he said, Air Force Chief Vice Marshall Rilo Pambudi on May 27 signed a contract for the purchase of 24 Hawks scheduled to be delivered in 1995 and 1996.

Feisal yesterday also pledged to take strict actions against ABRI officers who committed violations.

"I will impose stiff penalties against officers who tarnish ABRI's image," he said in commenting an appeal from a House member that some troops have overreacted in Flores, East Nusa Tenggara.

Marcel Beding of the Indonesian Democratic Party told the hearing of a series of incidents pitting the local populace and troops on the island which is still recovering from a destructive earthquake.

Kupang Port Expanded To Smooth Australian Trade

BK3006102093 Jakarta ANTARA in English 0510 GMT 30 Jun 93

[Text] Kupang, June 29 (ANTARA)—Trade between Australia and the eastern part of Indonesia (IBT) will be smoother following the development of the Tenau Port in Kupang into a commercial harbour.

"We have prepared 28 hectares of land for the development of the port," President of PT [Company Limited] Kupang Dinamika Supply Base Hudiono Kadarisman said here recently.

He said his company has prepared 400 hectares [ha] in the area, including 32 ha as supply base, 100 ha for industries, 140 ha for housing and recreational facilities, and the rest for the expansion of the port.

PT Kupang Dinamika supply base, a joint venture between PT NTT [Nusa Tenggara Timur or East Nusa Tenggara] Development Corporation, PT Theiss International and PT Petrolog Indonesia, has been established to anticipate activities in the Timor Gap.

The activities, Kadarisman added, are largely offshore drilling in areas between the Indonesian and Australian territorial seas.

Under a memorandum of understanding between the Governments of North Australia and East Nusa Tenggara signed here recently, the Bolok-Kupang region has been made a supply base for activities in the Timor Gap, on the consideration that the distance between the Timor Gap and Kupang is shorter than that between the Timor Gap and Darwin, North Australia.

Kadarisman also explained that PT NTT Development Corporation, a joint venture between the East Nusa Tenggara provincial administration and a number of Indonesian leading businesses, recently set up in Jakarta, brought fresh wind for investment growth in this region.

He added that the company was the first means of regional development in the eastern part of Indonesia for inviting national and foreign private investors to operate in these parts of the country which would be developed soon in anticipation of the second long-term development (PJPT-II) of the country.

These efforts, he added, are expected to improve the standard of living of the population in the eastern part of Indonesia, to follow the steps of their 'opposite numbers' in the western part of the country.

In the meantime, the company also invited private businesses, local as well as foreign, to set up joint ventures such as PT Kupang Dinamika Supply Base, he said.

Paper Questions World Bank View of Hi-Tech Strategy

BK3006113793 Jakarta SUARA PEMBARUAN in Indonesian 7 Jun 93 p 4

[Editorial: "Development of High Technology Industries is a Priority"]

[Text] Indonesia's view of the need to give priority to the development of high-technology industries has attracted keen national and international attention. This is

reflected in the World Bank report criticizing Indonesia's policy. This is not the first time the World Bank has sharply criticized Indonesia on its development priorities. The same critical tone was heard from the World Bank and its affiliate member (International Monetary Fund) when Indonesia was planning to launch its Palapa Domestic Satellite Communications System using modern technology.

Recently, the World Bank, which is one of Indonesia's main creditors within the framework of the CGI (Consultative Group on Indonesia), released a special report analyzing Indonesia's economic development strategy. It says Indonesia is more inclined towards creating technology-based industries than making efforts to create jobs for its 70 million workforce.

The international financial institution's special report, which is supposed to be a confidential document, was leaked to the REUTERS News Agency. It was picked up by several local newspapers last weekend. According to the news reports, Indonesia was criticized for providing for an additional 2 million job seekers.

The report cited the World Bank warning to Indonesia to stick to broad-based economic growth, which would create job opportunities for a workforce of 70 million. In the report, the World Bank also reiterated its call on Indonesia to adopt a more open economy in an effort to create a system that is more efficient and competitive in international markets.

Although it is not clear whom the criticism was directed at without any mention of the name of the Indonesian official behind the high technology view, we understand who it concerned when a strong reaction came from B.J. Habibie, Minister of State for Research and Technology. Habibie is well known for his view of wanting to give priority to high technology in the current stage of national development.

To fully understand the World Bank's criticism of the hi-tech vision, we have to bring up several points relating to the development of that view. We can recall that the concept of the technology-based development was introduced by B.J. Habibie at the opening of the Center for Information and Development Studies in Jakarta on 28 January. His idea is that the basic industrial strategy is geared toward making a jump in value added industrial products. He said that if we want this to happen we should be able to identify the priority products to which high technology could be applied.

It is conceded that such products would require a large amount of money of finance in research and development (R & D) projects, which in turn calls for a high capital investment. In view of that, such projects would need temporary government subsidies and protection until their products are competitive and could reach high added values. Thus, there ought to be a technological leap-frog strategy.

This theory is then placed next to the strategic theory adopted so far by technocrats who have been relying on comparative profits through free market orientation and the export of labor-intensive and resource-based products. Under such circumstances, the development of labor-intensive products is just right because of the abundance of unskilled manpower. However, their value added is small. Thus this policy must be followed by the development of high-technology industries.

In such a situation, the market will extensively spread the products of high-technology industries. Value added would be low in any reliance on cheap labor. Consequently, this type of industry will be moved from one country to another where cheap labor is available. Due to that, Indonesia's industrial development strategy should be directed toward more modern technology.

Habibie's line of thought and the role of the World Bank, which is an international financial institution controlled by the developed countries, would certainly clash. Among other things, the World Bank does not want to have any competition in high-technology industries which has been under its control for a long time. It looks as if the World Bank, under the influence of the International Monetary Fund, is more concerned with giving priority to the developed countries rather than being an important articulator for all developing countries. Therefore, it would just be appropriate if we ask: Can Indonesia reject the recommendations of the World Bank/IMF on economic development policy without the risk of getting less than the US\$5 billion loan required for development programs, which is to be discussed at the CGI forum in Paris this month?

Laos

Minister Criticizes West's Information 'Monopoly'

BK0107092793 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 28 Jun 93

[Text] The Lao Government delegation headed by Bouasi Chaleunsouk, deputy minister of information and culture, returned home at noon on 26 June after attending the fourth conference of information ministers of Nonaligned countries held in Pyongyang, DPRK, from 15 to 18 June.

The conference was attended by information ministers from 62 nonaligned countries and representatives from five international organizations and two other countries. In a speech at the conference, Lao Deputy Minister Bouasi Chaleunsouk pointed out the tremendous progress made by various countries in science and technology and in the information sector. He also touched on conflicts between industrialized and developing countries that have led to the monopoly of information among the mass media in a number of industrialized countries, thus directly threatening the independence and (?sovereignty) of some developing countries. This has

also caused imbalances in the international information dissemination system and the monopoly of mass media apparatuses by certain international political groups, thereby increasingly restricting the access of Nonaligned countries to information equipment. This development is a serious threat to the political, economic, and cultural sovereignty of Nonaligned countries. Therefore, there is an urgent need to establish a new international order for information.

As for information work in the Lao People's Democratic Republic, the head of the Lao delegation pointed out that satellite communications have become an important factor in helping underdeveloped countries, including Laos, to establish links with the international information network. This has allowed Laos to procure the assistance of mass media apparatuses in this country to extend their reach to people in remote mountainous regions. In the past, UNESCO, especially its International Program for the Development of Communications (IPDC), has assisted the Khasan Pathet Lao [KPL], our national news agency, to improve its telecommunications network. It has also helped the Lao national radio station install FM radio stations in the mountainous region in northern Laos. Similar IPDC aid in many underdeveloped countries also plays the important role of improving communications. Our deputy minister of information and culture expressed the hope that UNESCO would continue to give aid to the mass media apparatuses in Laos.

The nonaligned information ministerial conference also emphasized discussions on the current information situation among the nonaligned countries, the establishment of a new international order on information and the mass media, information cooperation among developing countries, the application of modern technology in the mass media, and the dissemination of news on important events in Nonaligned countries.

After attending the conference, the Lao Government delegation also paid a courtesy call on DPRK President Kim Il-song and was invited as official guests of the DPRK Information Committee. It also paid an official visit to the PRC from 22 to 26 June at the invitation of the PRC Culture Ministry. During its stay in the PRC, the Lao delegation held talks with the leadership of the PRC Culture Ministry and visited some ruins in Beijing and other adjacent areas.

Delegation Back From World Human Rights Meet

BK2906052393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 29 Jun 93

[Text] The Government delegation of the Lao People's Democratic Republic [LPDR] led by Souban Salitthilat, deputy foreign affairs minister, returned to Vientiane on 28 June after attending the World Conference on Human Rights from 14 to 25 June in Vienna, Austria.

Participating in the conference were government delegations from 146 countries and more than 2,000 nongovernmental organizations.

The meeting discussed various issues concerning human rights and approved a final document of which the main content stresses the need for international cooperation in implementation of human rights. The discussion also touched on the rights to self determination of all countries in the world and the rights to decide their own political status, and economic, special, and cultural development. Reiterating the key factors for development, it was noted that in order to promote and protect human rights, the exclusive rights of each region and country, as well as real historical, cultural, and religious conditions in each country, must be taken into account.

The meeting was concluded with fine success which marks an important milestone of international efforts to promote and protect human rights.

Philippines

Ramos Delivers State of Nation Address

HK3006145093 Manila DZXL Radio Mindanao Network in Tagalog 0934 GMT 30 Jun 93

[State of the Nation Address by Philippine President Fidel V. Ramos at Malacanang Palace, Manila—live, in English; passages in italics in Tagalog]

[Text] Your Excellencies of the diplomatic corps; the honorable members of the Senate, the House of Representatives, and the judiciary; my co-workers in the Cabinet and in government; distinguished awardees; other special guests; *my dear countrymen, good afternoon to all of you.* Peace be with you. [applause]

I am reporting to you today through radio and television, in the same way that I began my administration a year ago. I hope all of you are listening to me today. I speak not just of my leadership, but also of our joint journey during the last 12 months towards our future and better tomorrow, which is due to our shared vision: Philippines 2000.

I address you today, my countrymen, via national radio and television, in the same way that I began my administration a year ago. I hope all of you are listening to me today. I speak not just of my leadership but also of our joint journey during the last 12 months and into the future, a better future enshrined in our shared vision of Philippines 2000.

Franklin Delano Roosevelt once suggested that the progress of an administration should be evaluated in the same way that we score a ball game. On one side is the administration, on the other are the problems it must struggle against. When the problems are winning, the administration is weak. On the other hand, when the problems are being routed, then the administration is right to feel triumphant.

Whether this is a reasonable system to use, we in this administration are fully prepared to be held to account, and we believe we are winning this ball game.

A year ago we came to office on a tide of both hope and uncertainty. Hope that a new administration could stop the drift and decline of our country, and uncertainty because the overall record of government in this country had been one of pervasive failure.

I have been often reminded that I rode to office on the back of less than 24 percent of the electoral vote. If that is the measure, then I can already claim success for transforming that plurality into a landslide margin of satisfaction of 66 percent according to recent opinion surveys.

Governance, however, is not a popularity contest. It is a test for getting things done, speedily whenever possible, relentlessly when there are obstacles to hurdle. Moreover, it is a test not just of the leader, but also of the country; and no leader fails or succeeds alone.

We began our first year together, divided by the freest popular elections in recent memory. But our contentions notwithstanding, we have joined hands in nonpartisan cooperation to stop the record of national decline and put our national house in order.

Today, I believe I do not exaggerate when I say that the Philippines is back on its feet. Although the brownouts may dim our sights, we can see now where we are headed, and however formidable the problems remaining, hope is alive today in most of our communities, which not so long ago despaired about the future.

This is not administration rhetoric to inflate its achievements. I have heard it from your own lips during my travels to every region in our archipelago. I have heard it, as well, from many foreign officials and investors who watch with keen interest what is happening in our country.

At my inauguration I said: The road to development is now much traveled. We Filipinos have not lacked the way, but the will. I submit we have supplied that will to meet the many cares and problems of national life. We have begun a program of reform that already has dared more than any government since 1946. We have embarked on critical initiatives to end the climate of conflict and disorder that, for many generations, have ripped our country. We have started the overhaul of government bureaucracy that for decades has stood in the way of our national advance. We have opened the doors for free enterprise to create more jobs and produce, after years of being hamstrung by an oligarchic economy and a distorted playing field. We have embarked on a concerted program to protect and conserve our natural environment, which has been reduced to precarious levels by predatory forces in our midst. And we have launched a massive power development program not only to provide relief from the power shortage, but also to provide for long-term sufficiency as

the economy grows. Finally, we have moved to transform our once discordant political system into an effective vehicle for cooperative action.

Let us look at these initiatives one-by-one for each tells a story of how we have combined political will with action, policy reform with implementation.

Let us start with the power situation, for this is the most acutely felt by all. It is also generally perceived as the major shortcoming of this administration. You and I are both saddened that relief has not come as quickly as we had hoped; although in Mindanao, the power crisis has eased, and in the Visayas, there is more than sufficient power supply.

Luzon continues to be battered by the power shortage. But I ask you to remember what I said in my inaugural address last year. I said then: The immediate future will be difficult in some areas, as in energy; things could get worse before they get better.

Unfortunately, my worst fears have been borne out. The neglect of the past has thoroughly undermined the base of power generation in the country. Amid an economy beginning to recover, no new plants were put in place. The situation had deteriorated to utter unpredictability because old plants kept breaking down faster than we could put new projects on stream.

But it is no use moaning over that problem now; more important is what the administration is actually doing to meet it. I can report to you, my countrymen, that we are meeting head on the full severity of the power crisis, not merely by repairing power plants that were lost to obsolescence years ago, but by putting in place a comprehensive power development program both for the immediate and for the long-term. We have embarked on fast-track projects and are bringing in power barges to provide relief as quickly as possible. And we have cleared the road blocks of environmental compliance certificates or ECC's and of public acceptance that once held hostage most baseload power projects, which are the real and lasting solutions to our power crisis.

The writing on the wall is now clear, we will have relief from brownouts by Christmas of 1993. And full sufficiency in power. [applause] We will have no more brownouts by Christmas of 1993. [applause] And full sufficiency in power by mid-1994.

The brownout may cloud our perspectives over the entire national situation. In evaluating what we have achieved on many other fronts, however, these brownouts should not dim our sights.

We have been confronting our problems one by one and we have not been found wanting of either effort or results. We have achieved a level of political stability that means more than just my government's political survival or my capability to undertake a state visit without fear of being overthrown by a coup.

On the national security front, we have offered an honorable and just peace to every dissident group, to which they have all responded positively. We have dared to repeal the antirsubversion law in collaboration with Congress and opened the door for the full participation of communists and other rebels in our political life.

No doubt the peace process is not easy and it will take some time before a full settlement can be negotiated with all groups. But even this early, the peace effort has already cooled down conflict and tension, and the threats to the republic now have declined to occasional hit-and-run terrorist attacks in remote areas.

We have suppressed criminality through the establishment of the Presidential Anti-Crime Commission [PACC]. I risked criticism by appointing Vice President Joseph Estrada, a non-partymate in the last elections, as the anti-crime czar. PACC decimated the Red Scorpion gang, thwarted the commission of heinous crimes, and has made considerable progress against all sorts of illegal activities, including carjacking, drug-trafficking, and illegal logging. We have met head-on the nefarious activities of crime gangs and kidnap syndicates. The crime rate is down and we have enhanced our institutional capability to cope with crime through the overhaul of the command and leadership structure of the Philippine National Police. [applause]

The Armed Forces of the Philippines remain steady in all ranks. The National Unification Commission [NUC], which has effectively carried out the brunt of the peace campaign, must be credited with much of our initial successes on this front, and as it phases out of existence a month from now, we move to a higher plane of consultation and understanding which the NUC has admirably forged. Through all this, the Philippines has improved its human rights record at home and in the international community.

In our foreign relations, we have inaugurated a policy of economic diplomacy in dealing with and living with other nations, above all with our neighbors in ASEAN and the rest of Asia and the Pacific. This was done through a series of productive state visits, ministerial conferences, trade and investment missions, and people-to-people encounters. This effort at reaching out to our neighbors has renewed confidence in the Philippines as a better investment and tourist destination, and a more profitable trading partner than before.

We have taken part in important consultations to build a climate of peace and stability in our region, particularly in cooling the disputes over the islands of the South China Sea.

At the same time we have also forged new programs of economic collaboration and technology transfer, not only with our immediate neighbors in Asia and the Pacific, but also the Americas, Europe, and the Middle East. These are now starting to pay off in terms of increased foreign investment in our country.

The Philippines and the United States have moved to a new level of partnership on the basis of economic cooperation, social concern, mutual support, and democratic commitment. There are two compelling realities that govern this relationship. First, the United States remains our biggest market, and second, the United States remains the strongest force in Asia and the Pacific.

Our foreign policy has thus increasingly focused its attention on the wisdom of economic diplomacy, based on our conviction that our national security is founded squarely on our country's economic strength, as much as on our political unity, social cohesion, and international linkages.

Stability in the country and good relations with our neighbors are the conditions we need to develop in order to be able to mobilize fully our energies on the revival and strengthening of the economy.

As we begin our second year in office, it must be admitted that the economy is still sluggish, mainly because of the power shortage.

Despite this, however, there are now general stability and clear indications of improvement in the economy. Economic decline has been reversed as the economy posted an average GNP growth of 1.3 percent during the first three quarters of the administration. Inflation rate dropped to 7 percent as of May 1993. Even interest rates have declined to 10 percent, the lowest in 15 years. The foreign exchange rate has also remained stable. Significantly, the unemployment rate dropped to 11.3 percent as of April 1993.

We stand on the threshold of the real advance that is within our capability to achieve. The series of major reforms we have instituted in the economic sphere are arguably the most ambitious ever launched in our country in nearly half a century.

Reflect for a moment on what we have dared to do in just the span of one year. We have passed the new Central Banking Act that creates a Central Monetary Authority replacing the Central Bank, and which inaugurates a new regime for prudent monetary management of the economy. This will further stabilize the price and monetary situation. In addition, we have signed agreements that will relieve the country from some \$1.7 billion in debt service, provide \$135 million in new money, and \$1.2 billion debt buy-back.

We have continued to the policy of privatization by setting clear timetables for ending government's engagement in business. Today, P1.8 billion [Philippine pesos] worth of government holdings in Interbank were privatized in favor of a consortium led by Union Bank through the process of public sale. And within the year, more companies or components thereof will pass into private hands.

The access of Philippine products to world markets has been enhanced with the resolution of many trade issues,

notably of lifting of the U.S. ban on carrageenan or seaweed and yellowfin tuna.

In agriculture, a focus approach has been adopted via the Key Production Area, or KPA system, which is designed to increase farm productivity through the selective use of land to the most suitable crops and agricultural uses.

In telecommunications, we issued Executive Order No. 59, which mandated the interconnection among backbone and local telephone operators and implementation of national, regional, and municipal telecommunications telephone programs. In transportation and infrastructure, we have begun the full upgrading of our shipping industry and a total of some 2,500 km of roads have been newly completed or improved, and the EDSA [Epifanio delos Santos Avenue] Light Rail Transport Line Number 3 was launched during the year, ending years of inaction.

As we have implemented these reforms in the economy, we have also moved with dispatch to protect and conserve the country's natural wealth, which is so critical to sustainable development. Efforts have focused on an intensified campaign against degradation, specifically in the protection of watershed areas, mangrove forests, and our seas. In Metro Manila we have launched a program to transform Smokey Mountain from a mountain of pollution into a clean workplace and housing community.

To meet, once and for all, the garbage problem of the metropolis, we have undertaken the construction and operation of the San Mateo and Carmona Sanitary Landfills and the Las Pinas Transfer Station. Likewise, we restarted programs for the rehabilitation of the Pasig River, the greening of Metro Manila, and the combating of air pollution.

In all these programs we have undertaken, people have always stood at the center of our concerns. To those among us who are too well off, perhaps, people empowerment means little. But to millions of our poor countrymen, it is a beacon of hope. This landmark program of the administration means that government must be a liberating force for all those who have so little in life. It must reach out to all marginalized sectors in our country, who are the poorest of the poor, the disabled and the elderly, laborers, farmers, and the cultural communities so that they shall have access to livelihood and employment opportunities and, what is equally important, the opportunity to be heard in our public life.

Through the Presidential Commission to Fight Poverty and the Presidential Council for Countryside Development, we have adopted a direct interventionist approach designed to reach our most depressed communities, emphasizing above all the provision of basic services. Housing and livelihood generation are particularly being stressed because they are the most critical and immediate needs of this sector.

In our urban areas, we are working within the framework of the Urban Development and Housing Act. While

looking to the needs of our urban poor, we are also taking care to stop metropolitan degradation through slum clearance and improvement. To clear the way for urban development, we have, as a starter, relocated 7,000 squatter families in the Manila Bay Reclamation Area to Dasmarinas, Cavite.

Likewise, I have initiated the so-called Small Buga [spurt] approach for providing more liberal credit to promote assistance to small and medium-scale entrepreneurs.

But it is in what we are doing in education, health, and welfare where we stand to reap the most from investing in our people. Today I am proud to report that we have made significant headway in the following areas: first, in improving health services, which received the highest priority among government services provided to our people; second, in adjusting our education system to the perennial problems of increasing enrollment, upgrading teacher training and welfare, and improving the quality of education itself; third, in implementing the family planning program to stabilize population growth and help couples intelligently plan for a higher quality of family life; fourth, in delivering welfare services to the needy and the victims of calamities; and fifth, in increasing benefits and protection to our workers.

Let me issue a special word of thanks to our overseas workers who have contributed significantly to the economy for over a decade now. For me, they are a living demonstration of what people empowerment can do for our country. They show us what is within the capabilities of our people, of what they can produce once given the opportunity to work, and of how much they care for family and country. In my travels abroad my most moving encounters have been the dialogues I held with our Filipino workers' communities.

In these key achievements of the country during my first year in office, I claim no credit other than the personal privilege of leading all of you at this critical time of rebuilding. The credit belongs to many of my co-workers in the national administration and in local government who are turning the bureaucracy into an authentic vehicle for public service. It belongs, as well, to the other branches of government who have worked with us to change the substance of governance in our country. And above all, it belongs to our people who, in believing in themselves, have enabled us to push reform beyond our expectations.

Today there is renewed optimism in the country because we are overcoming decades of national inertia and impotence. The problems we are uprooting have never been the legacy merely of one person, one administration, or one generation of leaders; they are rather the product of a mind-set and political culture born during colonial times and carried on through the decades, that the Filipino is indolent, self-centered, and utterly lacking in nationalism.

That mind-set has cost us very dearly. It has led us to talking ceaselessly about problems instead of solving them, that bred the tendency to blame others instead of doing things ourselves, and it has made many of us incapable of action out of fear that others will not do their part.

Today, as I look at our country, I have every confidence that things are changing for the better. Beyond all our dissensions we are discovering the national unity and social cohesion we are truly capable of. From our old indifference to our national life, there is a new emerging trend of civic commitment. Finally, we are beginning to invest in our country the best in ourselves. This is the foundation that will serve as our anchor as we face the rising challenges before us.

We have travelled some distance in the interval of one year, but we have much farther to go. We cannot turn back. And in our continuing journey, there will still be plenty of obstacles along the way. There will be times when we must debate our strategies and programs, refine our course as necessary, but under all circumstances, we must continue to move forward.

I will be the first to admit that what we have started is no more than just a beginning. Economic recovery is still fragile. Many of the reforms instituted are still in the infancy stage. And so it is imperative that we build on what we have already achieved.

On July 26 I shall present to Congress the details of our new agenda. For the moment I will sketch here only the broad outlines of what is demanded of us. First, we must maintain the climate of stability and strive to finish the peace process we have begun. Second, we must accelerate the reforms we have begun until they truly become integral parts of our national life. And finally, we must preserve and strengthen the new spirit of collaboration among the major branches of government and the private sector so that we can legislate, pass judgment, and press new and necessary reforms that will be required as we move onward.

Where cooperation with Congress was mandatory, we have forged a working relationship that continues to this day to produce the needed action. This coalition-building has succeeded in generating and firming up support for the executive in both houses of Congress. All this will ensure the unhampered expansion of economic effort which is certain to happen within the next 12 months.

The forthcoming resolution of the power problem will provide the opportunity for our economic takeoff. But such takeoff is not fore-ordained. No progress was ever made by a policy of doing nothing; neither will a wait-and-see attitude make it happen.

We must be prepared to institute any measure, undertake any initiative, and accept any cost in order to make it happen.

There have been critical moments in our history where national fortunes were fatefully decided by the choices made by our people and our leaders. At such times, wrong turns cast the whole nation astray; thus, in the revolution of 1896, when our leaders accepted the truce instead of prosecuting the revolution to the end, thus also our historic chances in 1946 and 1986, which were frittered away.

All of us must have the courage and wisdom to grasp the opportunities now before us. We can exact ourselves anew in needless recrimination and contention, or we can together gather our forces and recognize that this is the first real chance we have had to develop in this century. It may be our only remaining chance. But this time, I am confident we have moved correctly towards our vision of Philippines 2000. [applause]

My dear countrymen, all of us should have the courage and wisdom to take advantage of the opportunities facing us today. We may waste our time on useless recrimination or we can combine our capabilities and recognize this, indeed, as the right chance to develop. This may also be our last chance. Today, I strongly believe that we are moving correctly towards our vision of Philippines 2000.

Thank you. Long live the Philippines.

Human Rights Head Attacks U.S. Amnesty 'Warning'

HK3006055093 Manila PHILIPPINE DAILY INQUIRER in English 30 Jun 93 p 12

[Text] The Commission on Human Rights [CHR] yesterday assailed United States for warning President Ramos against granting amnesty to the killers of U.S. Army Col. James Rowe and 10 other Americans.

"If there was this warning, the U.S. government has no business intruding into how we should administer justice here," CHR Chairman Sedfrey Ordonez told the INQUIRER.

Ordenez, who was attending the 10-day United Nations World Conference on Human Rights in Vienna when U.S. President Bill Clinton made the warning, said Malacanang has not yet sought his official opinion on the matter.

Published reports on June 25 said President Clinton wants the Rowe killers to be excluded from the government's amnesty package, warning Manila of "dire consequences" if it pushes through with the plan.

Ordenez, who supports the government's plan to grant general amnesty to all rebel elements, added that the plan is "a high prerogative of the chief executive and no other country, no matter how close a relationship it might have had should have the effrontery to say, 'we should warn you of dire consequences.'"

He said he believes that the granting of amnesty "will give a tremendous boost to the country's peace initiatives. [no closing quotation marks as published]

Juanito Itaas and Donato Continente, now detained at the New Bilibid Prison in Muntinlupa after being convicted of the Rowe killing, have been recommended for release by a government's inter-agency task force since December last year.

The Free Legal Assistance Group (FLAG) last week accused the United States of trying to derail the country's peace process with its demand to exclude Rowe's killer from amnesty.

"The U.S. government knows that a just and lasting peace in our country, while beneficial to us, would be detrimental to their economic and military interest here," said FLAG lawyer Jose Manuel Diokno, Itaas counsel.

The case of Itaas is still pending in the Supreme Court.

Also last week, Press Secretary Jesus Sison told reporters that President Ramos has directed Justice Secretary Franklin Drilon and Interior and Local Government Secretary Rafael Alunan to give him an update on the Rowe case.

Ramos: Single Policy To Govern Peace Talks

HK3006063393 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 29 Jun 93

[Text] The government will have a single policy in negotiating peace with the Moro National Liberation Front [MNLF], the National Democratic Front [NDF], the Communist Party of the Philippines [CPP], the New People's Army [NPA] and the Revolutionary Nationalist Alliance [RAM].

This was emphasized by President Fidel V. Ramos, who said the talks with rebels are internal problems which Filipinos should solve by themselves.

At the same time, the president said that while intermediate talks—to discuss negotiations about substantive matters—can be covered by the shifting-venue policy, the initial and final ceremonies, including the signing of any agreements reached with the MNLF and the CPP, will have to be done in the Philippines.

Ramos also admitted the negotiations are facing obstacles, although the government continues to pursue the peace process.

The president also said that besides the consultations being conducted by the National Unification Commission with the MNLF and CPP-NPA-NDF leaders, local officials and other sectors are conducting their own negotiations with local insurgent leaders.

President Ramos also said the national reconciliation and development program, led by Interior and Local

Governments Secretary Rafael Alunan III, has been successful in convincing former rebels, whether Muslim or leftist, to rejoin society.

Ramos Officially Extends Term of NUC

HK0107091493 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Jun 93

[Text] President Fidel V. Ramos has officially extended the National Unification Commission's [NUC] term up to 31 July. President Ramos has made an executive order amending the NUC's term and ordering an additional 4 million Philippine pesos to fund the commission's expenses. The term of the NUC should have ended today, but the unification body asked the president to extend its services until another group replaces it.

Ramos' 'Insincerity' Called 'Obstacle' to Peace

HK0107094893 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 1 Jul 93

[Text] The major obstacle towards the attainment of peace between the government and the National Democratic Front [NDF] is President Ramos' insincerity and lack of trust. This was stated in an interview today by former NDF spokesman Satur Ocampo. Ocampo said Ramos' attitude has fortified the communist rebels' belief that the government's only desire is to crush the leftist movement.

[Begin Ocampo recording] Members of the revolutionary movement strongly believe that the government's goal is to destroy the organization. President Ramos said in his 12 June independence day speech: Our peace initiative succeeded beyond our expectation. It has induced the rebels, the military rebels, and the southern secessionists to the negotiating table. And we have fragmented the communist party to its core. [preceding three sentences in English] It is because of this statement that the revolutionary movement believes the government's ultimate goal is to destroy this force. [end recording]

That was former NDF spokesman Satur Ocampo.

He added that the same statement by the president could be the reason for the NDF's silence, particularly Luis Jalandoni, because the statement contributed nothing good to the peace process. Ocampo, however, offered assurance that the communist movement continues to be one on their stand on the amnesty issue and the government's peace program. He stressed that the entire organization still recognizes Jalandoni as the official NDF representative to the peace talks, and that nobody within the organization wishes to conduct separate talks with the government. He denied reports that there are now four groups within the Communist Party of the Philippines-New People's Army-NDF due to the conflict between Jose Maria Sison, Ricardo Reyes, and Romulo Kintanar.

[Begin Ocampo recording] The reported conflict was merely an active debate or discussion about ideas, issues facing the revolutionary movement, strategies and tactics, organizational policies, issues of democracy, and the strong controlling power of the central leadership. Discussing these issues is important in the running of the movement and in achieving the movement's goals. These are internal issues. [end recording]

Thailand

Prasong: U.S.-Iraq Conflict Has No Effect on Thailand

BK0107082793 Bangkok Radio Thailand Network in Thai 0530 GMT 1 Jul 93

[Text] Asked if the current U.S.-Iraqi conflict would have any effect on Thailand and how the Foreign Ministry would handle this issue, Foreign Minister Squadron Leader Prasong Sunsiri told reporters at the National Assembly this morning that the Foreign Ministry has beefed up security at all embassies, not only those of the United States and Iraq. Thailand regards the U.S. missile attack on Baghdad as a problem strictly between those two countries. The UN Security Council has already brought the matter up for consideration and so far no resolution has been issued in this connection. However, Thailand wants both sides to seek the most gentle solution to the problem and has sent its condolences to Iraq over the death of the civilians.

He said that the Thai embassy in Baghdad is situated not very far from the target of the U.S. attack. The Thai ambassador reported that the staff members at the embassy as well as a small number of Thai workers in Iraq were safe.

Senior Officials Oppose U.S. Proposals on APEC

BK2806032293 Bangkok BANGKOK POST in English 28 Jun 93 p 17

[Text] As senior officials from the Asia-Pacific Economic Cooperation (APEC) group start talks in Seattle today Thailand has signalled its opposition to US and Australian proposals to beef up the group's role.

Officials will be discussing this week a US-proposed draft framework for APEC to be put to the group's ministerial meeting in November, also in Seattle. The draft envisages upgrading APEC from a consultative group into a forum for negotiating trade and other issues among its 15 members.

The United States, this year's APEC meetings host, and Australia have both also suggested that this year's ministerial should be followed by a summit meeting of heads of government of APEC's members: the United States, Canada, Japan, South Korea, China, Taiwan, Hong Kong, Australia, New Zealand and the ASEAN six.

During courtesy visits in the past two weeks by US Assistant [as published] Secretary of State Clifford Wharton and Australian Trade Minister Peter Cook, Prime Minister Chuan Likphai and other Thai ministers have said they have no objection to enhance APEC cooperation.

Those comments now appear to be more of a polite response than an acceptance of the proposals.

The clearest sign of Thai opposition came from Deputy Prime Minister Suphachai Phanitchaphak who proposed on Saturday in the Cairns Group's ministerial meeting that no new initiatives on trade should be allowed to divert attention away from the Uruguay Round of global trade talks.

He did not mention APEC by name during the meeting, but when asked afterwards what he had in mind he replied: "I did not want to (spell out) 'APEC'."

Commerce and Foreign Ministry officials working on APEC say he was briefed on APEC last week. As a result the Thai delegation in Seattle is going to oppose references to trade negotiations in the US draft APEC framework text. The officials say senior officials from all ASEAN members have also agreed that the US and Australian proposals should be opposed.

APEC's smaller members are said to be worried that their bargaining power against economic giants such as the United States and Japan would be severely weaker in APEC than in the 110-nation General Agreement on Tariffs and Trade (GATT), under whose auspices the Uruguay Round is being held.

Dr Suphachai and his officials are also alarmed that the major powers particularly the United States and European Community, appear to be working towards a much weaker Uruguay Round agreement on agriculture, a priority issue for smaller exporters such as Thailand, while pressing hard on issues that will require severe adjustments in the smaller countries.

Dr Suphachai complained on Saturday that a draft Uruguay Round agreement on protecting intellectual property rights and on liberalising banking and other services remains almost unchanged while the US and EC have watered down the agriculture draft.

Thai officials add that they resent new approaches from the economic powers for bilateral market opening talks on services even at a time when Thai hopes for substantial reductions in farm subsidies and protectionism are fading.

APEC was set up in 1989 following a regional campaign by the then Australian premier, Bob Hawke. Australia is also chairman of the Cairns Group which is lobbying for farm trade liberalisation in the Uruguay Round.

Airlines Group Seeks Balanced Agreements

*BK2406025993 Bangkok THE NATION in English
24 Jun 93 p B3*

[Text] The Executive Committee of the Orient Airlines Association (OAA) is seeking to remove the constraints enforced upon many of its members by unbalanced and outdated bilateral agreements. Many OAA carriers suffer bilateral restrictions in developing intercontinental routes, which places them at a significant disadvantage to other international carriers, particularly those from the United States.

The majority of bilateral agreements between Asian countries and the US were negotiated in the 1950s and 1960s and no longer provide an acceptable balance of frequency allocation and gateway accessibility.

Despite exceptionally high standards of passenger service and the lower costs of most OAA carriers, the distorting effect of many current bilateral agreements ensures that US carriers enjoy a substantial market share advantage in trans-Pacific services.

Chatchai Bunya-anan, OAA chairman, commented: "In an increasingly competitive international airline environment, I want to make it quite clear that the OAA is no longer willing to accept the long term imposition of inequitable bilateral agreements which disadvantage member airlines and the passengers they serve.

Paper Criticizes G-7 on Trade; Hails Cairns Group Stand

*BK3006111193 Bangkok THAI RAT in Thai 30 Jun 93
p 3*

[Editorial: "14 Agricultural Countries Rise Up to Fight"]

[Text] We have decided not to talk about the Baghdad missile raid because something more important has happened in Thailand. The 14 agricultural exporting countries, or the Cairns group, have issued a statement after their meeting in Bangkok. They have voiced their opposition to the move by major powers and industrial nations to elusively draw up a rule forcing agricultural countries to open their markets for their goods and services and protect intellectual property. Meanwhile, they have refused to comply with the Cairns group's trade requests.

The Cairns group comprises 14 countries, namely, Argentina, Australia, Brazil, Canada, Chili, Columbia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, the Philippines, Thailand, and Uruguay. They believe the major powers and EC countries tend to connive with each other to take advantage of small agricultural nations. All agreements on agricultural trade which they have concluded were designed only to benefit the two groups and are not applicable to all countries.

The statement issued at the closure of the Cairns group's meeting in Bangkok on 27 June stated that the new

GATT talks to begin on 15 December must concentrate on the reduction of farm subsidies. It adds that it must prevent the major powers from diverting the negotiations to focus on the protection of intellectual property and market access for goods and services from the developed countries, while small agricultural nations are left to face exploitation.

The Cairns group has sent a the message to the meeting of the major industrialized nations scheduled to take place in Tokyo from 7 to 9 July. The message is that it wants the conclusion of the GATT agreement this year after seven years of postponement, the reduction of farm subsidies by 24 percent, and market access for agricultural products in exchange for their market access for goods and services and protection of intellectual property.

We fully support the Cairns group's demands. It is apparent that the United States, Japan, Canada, and the EC countries are collaborating to impose their rule governing market access for their goods and services, the GATT rule for the implementation worldwide. Even the 20-percent reduction of farm subsidies agreed upon by the United States and EC countries will also become rule for world trade. These two issues must be brought up for discussion during the upcoming negotiations in Geneva.

In this regard, we recommend that the Cairns group seek French support because France disagrees with the United States and EC countries on several issues and sympathizes with small nations. With the French support, the new GATT agreement might eventually be concluded this year.

Minister: Burma's Logging Suspension 'Misunderstanding'

*BK3006151393 Bangkok Radio Thailand Network in
Thai 1200 GMT 30 Jun 93*

[Text] Speaking to reporters at the National Assembly this afternoon, Agriculture Minister Niphon Phromphan said Burma's decision to terminate logging concessions for Thai companies is the result of a misunderstanding. The decision was made on the grounds that the deputy agriculture minister's signature on the logging documents was an act of dishonor to Burma. Previously, the agriculture minister was in charge of the Forest Industry Organization [FIO]. However, after the deputy agriculture minister was assigned to look after the FIO, he had the responsibility to sign documents for the agency. In fact, the whole issue is likely to be motivated by economic reasons because Burma wants to have a better price for its timber exports.

The agriculture minister said the Foreign Ministry is in charge of foreign trade talks of the private sector and it probably has contacted Burma. The Agriculture Ministry only acts as a coordinator. Burma's termination of the logging concessions will have an impact on Thailand because about 1 million cubic feet of timber is imported from Burma annually. We have to find other sources of

timber such as Malaysia to replace the shortfall. However, there will be only short-term impact because Thailand is implementing a reforestation program for the next five to seven years to solve the shortage.

Prasong Says Burmese Logging Ban Temporary

BK0107101193 Bangkok Radio Thailand Network in Thai 0530 GMT 1 Jul 93

[Text] Foreign Minister Squadron Leader Prasong Sun-siri denied as untrue the report that the Burmese Government has decided to scrap logging concessions granted to Thai firms because the Thai Government provides support for minority rebels against the Rangoon administration. Speaking to reporters at the National Assembly this morning, he said the withdrawal of logging concession will be temporary as the Burmese Government is trying to solve internal problems. He said:

[Begin recording] [Prasong] They said the logging concessions will be canceled at the end of this year. The reason they cited is that the logging concessions were granted to Thai firms when the Thai Government ordered the closure of forested areas. The concessions were intended to last only for a short while. They said they would consider granting concessions to Thai firms again in the future. They have not imposed a total ban on logging. They are trying to solve their internal problems. Besides, the Burmese people are not very happy with some of our businessmen who have reportedly felled trees outside their concession areas. The closure of the Burmese forests was not motivated by alleged Thai support for the Burmese minorities.

[Unidentified reporter] Is it definite that they will terminate the logging concessions beginning next year?

[Prasong] I believe that they will do so at the end of this year. But they still keep the door open by saying that they will consider reviving the concessions in future. I have instructed our ambassador in Rangoon to keep close contact with the authorities. I am thinking of holding negotiations at the ministerial level. [End recording]

Meanwhile, Army Commander General Wimon Wongwanit told reporters this morning that Thailand and Burma have maintained good relations and that his upcoming visit to Burma will be conducive to the mutual interests. He believed that the withdrawal of logging concessions will last a short period of time. He said:

[Begin recording] [Wimon] We have maintained good relations with Burma. Their plan to halt the logging business will be temporary. I believe that military relations between our two countries is excellent and is based on mutual understanding. I might pay a visit to Burma in the near future. Our leaders will probably go to Burma for talks about the issues on which we must help each other, the situation along the common border of the two countries.

[Unidentified reporter] We have illegal immigrants from Burma. Will you bring this issue up for discussion when you visit Burma?

[Wimon] As an independent nation, we the Thai people have our own principles. We cannot allow other foreigners or foreign students to use our land as bases for activities against other governments. That is inappropriate. [end recording]

Burma Signs Agreement To Start Road Link

BK0107080693 Bangkok BANGKOK POST in English 1 Jul 93 p 28

[Text] BURMA has signed an agreement with a Thai contractor, Suk-anan Ltd, to build the first stage of the Keng Tung-Tachilek (Burma) road, which will form part of the land link between Burma, southern China, Laos and Thailand.

The agreement was signed recently by Suk-anan Ltd manager Anan Uatrakun and the governor of Burma's Keng Tung Province. It included a 15-year concession to build and collect tolls on the 163-kilometre road, which will cost 400 million baht. Construction of the road is expected to commence on September 1 this year and be completed in 18 months. Tolls will be shared 60:40 between Burma and Suk-anan respectively.

The company will collect toll fees under two systems. Drivers of Burmese motorcycles, sedans, one-ton pick-up trucks, light trucks with 2-3 ton load capacities and six-wheel trucks will be charged 100, 200, 400, 600, and 1,000 kyats respectively, while the toll for foreign-registered motorcycles, sedans, pick-up trucks or vans, tour buses (mini bus), light six-wheel trucks, large six-wheel trucks, tour buses (45 passengers) and trailer trucks (18 wheel) will be US\$10, \$40, \$40, \$50, \$50, \$100, \$10 and \$150 [numbers as published].

There will be no charge for Burmese military and government vehicles.

Under the agreement, tolls will be charged before the road is completed according to the proportion which has been finished. Suk-anan will transfer the road to Burma at the end of the concession period. Mr Anan said 70-80 vehicles would use the road a day and the company's investment would be returned within five years.

After the company had completed 30 percent of the road, the company would sign an agreement for the second stage, Keng Tung-Chaing Rung. The 91-kilometre second stage would connect with the Chinese road.

The company has constructed temporary roads for Thai logging concession companies along the Thai-Burmese border.

Deputy Premier Receives Governor of Hainan

BK2806080993 Bangkok XIN ZHONG YUAN RIBAO in Chinese 27 Jun 93 p 11

[Text] Deputy Prime Minister Banyat Banthaththan received Hainan Governor Ruan Chongwu and his Hainan provincial observation delegation at Government House on 21 June. Deputy Prime Minister Banyat, who has visited Hainan Province before, happily extended a warm welcome to the Hainan governor and his delegation, which is on an observation visit to Thailand at the invitation of the Tourism Authority of Thailand. He also wished that the delegation will have a pleasant journey and achieve success during the observation trip. Ruan Chongwu expressed his wholehearted thanks and respects to the Thai deputy prime minister. Ruan Chongwu also introduced Hainan Province's economic development situation during the cordial and friendly talks. Also present at the meeting was Chinese Ambassador to Thailand Li Shichun.

Hainan Governor Ends Observation Trip, Departs

BK3006142093 Bangkok XIN ZHONG YUAN RIBAO in Chinese 30 Jun 93 p 10

[Text] Hainan Governor Ruan Chongwu, who enjoys the affection and esteem of the people of Hainan Province because of his great achievements, and his 10-member Hainan provincial economic observation delegation completed its five-day observation trip to Thailand and boarded Flight TG 606 to Hong Kong on 25 June for transfer to another flight to Haikou city of Hainan Province.

Seeing off the delegation at the airport were Li Shichun, Chinese Ambassador to Thailand; Zheng Youyin, chairman of the Hainan Association of Thailand and chairman of the board of the Central Department Store Group; and officials of the Tourism Authority of Thailand.

SRV Province Agrees on Joint Fishing Rights

BK0107084593 Bangkok BANGKOK POST in English 1 Jul 93 p 3

[Text] THE Fisheries Department and Vietnam's Gien Yang provincial administration have agreed to joint fishing rights in areas along the boundary between Songkhla Province and Gien Yang still not clearly defined.

Department chief Phlotprasop Surasawatdi said yesterday the agreement was reached when he visited Gien Yang last week to retrieve Thai fishermen arrested by Vietnam.

Mr Phlotprasop said he was accompanied by representatives of the Navy, Songkhla police and the Thai consulate in Vietnam in a meeting with Vietnamese officials led by Fong Dong, deputy chairman of the Gien Yang provincial administration.

The agreement allows fishing boats from the two countries to pass through the area without risk of arrest.

Should a vessel be seized, Vietnam will inform Thai consular staff immediately or Thailand will inform the Vietnamese Embassy in Bangkok.

The Fisheries Department will also set up a radio communications station in Gien Yang Province, said Mr Phlotprasop.

He said the Thai side asked that any intrusions into Vietnamese territorial waters by Thai fishing boats not be regarded as violating Vietnam's territorial sovereignty. They should be charged only with damaging Vietnam's marine resources.

The Fisheries Department will be glad to help provide training for Vietnamese officials interested in shrimp farming after they expressed interest, said Mr Phlotprasop.

The provincial administration said it would allow the owners of 17 Thai boats still being held in Gien Yang to pay a fine so the vessels could be retrieved.

The department also invited the Gien Yang officials to visit Thailand.

Mr Phlotprasop said if the agreement with Gien Yang Province proved beneficial - to both sides, the department would seek a similar agreement with Minh Hai Province whose territorial waters also overlap those of Thailand.

Argentina Asks for Approval of Beef Imports

BK2706041693 Bangkok THE SUNDAY POST in English 27 Jun 93 p 4

[Text] ARGENTINA has asked Thailand to approve imports of its high quality beef and has taken the first step towards receiving clearance on health grounds.

The request was made during talks between Argentina's Agriculture Minister Felipe Carlos Sola and Thai Deputy Commerce Minister Chaivot Sasomsap outside the Cairns Group's ministerial meeting yesterday.

Agriculture Permanent Secretary Sommai Surakun said the Argentine handed over a report describing the situation with foot-and-mouth disease in Argentina and the approval of that country's beef exports to Britain and other countries.

Argentina's delegates said their beef was less expensive than its competitors because of low production costs, not because of government subsidies, and has been exported worldwide to countries such as Singapore and Britain.

As for the problems of foot-and-mouth disease, Argentina's representatives said the disease was under control and exported products would be free from the problem.

"No commitments were made during today's meeting. However, I will assign the Livestock Department to study the foot-and-mouth disease report, which will take some time. The Commerce Ministry will send information about Thai beef imports to the Argentine embassy. This will be basic data about the Thai market," Mr Sommai said.

The Argentines invited a Thai delegation to start studying livestock activities in their country. Thailand usually imports beef from Australia and New Zealand. Most of the produce is used for only special occasions and in hotels where most customers are tourists.

Foreign Ministry Wants Visa Ban on Arabs Lifted

*BK2806040893 Bangkok THE NATION in English
28 Jun 93 p A1*

[Text] The Foreign Ministry will propose to the Cabinet tomorrow that Thailand resume issuing visas for citizens of 11 Middle Eastern and African countries to whom they have been denied since the Gulf War in August 1990 for fear of their possible involvement in terrorism, a source said yesterday. But the ministry will propose that visas continue to be denied to citizens of Jordan and Sudan, the source in the Government House told THE NATION.

He said Foreign Minister Prasong Sunsiri told Prime Minister Chuan Likphai recently there had been reports of Jordan and Sudan being involved in international terrorism.

According to the Foreign Ministry's proposal, the citizens of 11 countries—Algeria, Bahrain, Egypt, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates, Yemen, Israel and Tunisia—should be allowed 15-day visas for Thailand, the source said. He said the Foreign Ministry will also propose that Nigerians be denied visas to Thailand.

On Aug. 7, 1990, the Chatchai government decided to stop issuing visas for members of Middle Eastern and certain African countries for fear of possible terrorism here.

Premier Claims Success in Weapons Crackdown

*BK2506021193 Bangkok BANGKOK POST in English
25 Jun 93 p 7*

[Text] PRIME Minister Chuan Likphai said yesterday the government crackdown on the smuggling of weapons from Cambodia has had some success. Efforts to stem the influx of war weapons from Cambodia have been successful due to a campaign directed by a committee chaired by himself, he said.

Enormous amounts of weapons have been captured by authorities recently, he said, adding that the confiscated shipment was obviously on its way to the western border, apparently to be sold to ethnic minority rebels in Burma.

Mr Chuan said he is worried about reports of frequent robberies and kidnapping of Thais near the Cambodian border by Khmer bandits. He said he had recently visited Supreme Command Headquarters and assigned Supreme Commander Woranat Aphichari to coordinate the effort to stop weapons smuggling. He said the military and police are still having problems working together.

Mr Chuan was responding to criticism by opposition MPs during yesterday's House debate on crimes committed by Cambodian bandits along the border.

Sophon Petchsawang (Chat Phatthana-Buri Ram) proposed an urgent motion to debate the repeated robbery and kidnapping of Thai citizens.

Cambodian bandits have made more than 60 incursions across the Thai-Cambodian border into Buri Ram, Sisaket, Surin, Prachin Buri, Trat and Ubon Ratchathani provinces this year, he said. They have robbed, kidnapped for ransom and killed Thai villagers, he said.

He accused Interior Minister Chawalit Yongchaiyut of failing to take action to solve the problem. Gen Chawalit said it was difficult to tackle the problem but the Government has taken several measures, such as obtaining permission through negotiations with UNTAC [UN Transitional Authority in Cambodia] for "hot pursuit" into Cambodia and establishing contacts with Cambodian forces controlling the areas.

As for coordination between the military and police, the Interior Minister said division of authority between the two agencies has to be adjusted because Cambodia has become less tense since the peace process got underway.

Vietnam

Main Points of CPV 5th Plenum Resolution Reported

BK3006163693 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 29 Jun 93

[“Topical Talk” with station editor Vu Dinh Vinh]

[Excerpt] Dear comrades and friends, we are now entering the second half of the year. Our country's socioeconomic situation during the first half of 1993 and the political events in June have brought about new confidence and encouragement.

Following various party Central Committee plenum resolutions on party building tasks, on national defense and security, and on developing the human factor, the Communist Party of Vietnam [CPV] Central Committee held its fifth plenum on 3-11 June to discuss and issue resolutions on continued renovation and rural socioeconomic development.

In the important speech delivered by General Secretary Do Muoi at the party Central Committee Fifth Plenum,

at various discussions, and in the main content of the party Central Committee Fifth Plenum resolution, it has been stressed that the party is paying special attention to the strategic issues related to our peasants, agriculture, and rural areas. These are issues of paramount importance to our revolution at various stages.

Under the party leadership and in the struggle for national independence and defense, the peasant class—the main force of our country—has contributed great efforts, together with people throughout the country, to triumphantly fulfill the mission of liberating the nation.

In the current renovation stage, the countryside is a key area while agriculture is an important front. As a result, the peasant class continues to play a great role in the cause of national construction and defense, in contributing to various remarkable achievements, in asserting the party renovative lines, in maintaining political security, and in protecting our national sovereignty and regime.

It is obvious that the renovation policy set and led by our party has taken agriculture as a breakthrough to promote other efforts to develop the socioeconomic situation in our country. This has brought about great achievements in agriculture and in the rural areas.

Achievements scored in agricultural production have resulted in changes for the better in the rural areas and in the peasants' daily life. The political system in the rural areas has changed appropriately in favor of economic development. However, our agriculture and the rural areas are facing difficulties caused by various new arising complex problems. Fundamentally, our rural areas and agriculture still cling to the self-reliance small-scale production system, producing low quality products and using backward cultivation methods. Moreover, our labor productivity is still low when compared to various countries in the region. Much potential of our country and people in this domain has not been brought into full play.

Weaknesses in social issues still prevail. As a result, uniform measures should be taken to positively resolve such issues as housing, medication, education, the gap between the rich and the poor, social justice, policies toward those who have given meritorious service to the state, policies on Army rear service, and social vices and so forth.

Requirements for the new situation and tasks demand that we continue the renovation undertaking and vigorously develop the socioeconomic situation in our rural areas.

The party Central Committee Fifth Plenum held in early June is aimed at resolving this issue. This is the first time the party Central Committee profoundly discussed at length the policies on peasants, agriculture, and the rural areas which are aimed at concretizing and developing contents of the seventh CPV congress resolution.

After analyzing the cause of various issues, the party Central Committee Fifth Plenum has set objectives, orientations, tasks, and concrete measures to develop agriculture and the rural areas until the year 2000. Correct and rational decisions made at this important plenum will open up a new and comprehensive development era for our rural areas and form a new strategy for our national construction and defense to make our people prosperous, our country powerful, and our society advanced along the socialist orientations.

To achieve this goal, it is necessary for our entire party, people, and Armed Forces to adopt a new concept to promote the role and position of our peasants, agriculture, and the rural areas while taking effective measures to resolve various issues. We must attach importance to the development of agriculture and rural economy by combining this task with that of national industrialization and modernization. We must also combine the socioeconomic task with that of national defense and security. These are key tasks of strategic significance. [passage omitted]

NHAN DAN Discusses Resolution

BK0107062793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 30 Jun 93

["Excerpts" from 1 July NHAN DAN editorial: "The Party's Resolution Must Be Translated Into Reality"]

[Text] The resolution of the Party Central Committee's fifth plenum on continuing socioeconomic renovation and development in the rural areas, which has been made public, retains a very important position. This is because rural agricultural and economic development in the direction of producing goods along with industrializing and modernizing the country constitutes a strategic task of primary importance.

There are two extremely important things that must be done to translate this party resolution into reality. These are seeking a thorough understanding of the viewpoints, objectives, and guidelines expounded in the resolution and outlining and scrupulously carrying out a program for specific actions in a way commensurate with every domain and every locality and in each certain period of time.

Every resolution of the Party Central Committee is designed to substantiate the platform for national construction during the period of transition to socialism and the country's strategy for socioeconomic development in each domain. Therefore, seeking a thorough understanding of the viewpoints, objectives, guidelines, and solutions laid down in the resolution is the first thing we must do to ensure that the entire party, army, and people share the same will to jointly continue renovating and developing agriculture and building up the countryside in line with the path decided by the Seventh Party Congress for our advancement to socialism.

All guidelines and objectives of the party have stemmed from the aspirations of the people. The resolution of Party Central Committee's fifth plenum has established a system of moving forces for agricultural and socioeconomic development in the rural areas. It has also defined major policies to ensure the interests of the people, such as determining the right to long-term use of land by peasants; directing the expansion of all economic components; accelerating development of industrial production and various services in the rural areas; stepping up the application of science and technology, particularly biological technology, for the building of a new countryside; improving the people's intellectual standard and cultivating their talent, and fostering democracy in the rural areas. These moving forces, if harmoniously utilized, will create an integrated motive with which to launch a seething revolutionary movement among the masses to implement the party's resolution.

In the country's renovation process, our party always considers socioeconomic development as the center of importance and party building as the key task. In continuing the implementation of the Party Central Committee's third plenum resolution, it is particularly necessary for party organizations in the rural areas to step up party building work to ensure that the implementation of the Party Central Committee's fifth plenum resolution is conducted in the right direction with practical results.

It is also necessary to make the Party Central Committee's fifth plenum resolution and the resolution of the current session of National Assembly a major milestone marking a new step of development in agriculture and the countryside, thus initiating deep and broad revolutionary movement to encourage the entire people to unite in the struggle to accelerate production and practice thrift, while developing their intellect and creativity to a high degree in organizing the implementation of these resolutions.

This is aimed at stepping up socioeconomic development and the building of a new countryside, as pointed out by Comrade General Secretary Do Muoi in his speech at the recent Party Central Committee's plenum.

Reportage Continues on National Assembly Sessions

30 Jun Afternoon Proceedings

BK3006141093 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 30 Jun 93

[Text] This afternoon, 30 June, National Assembly deputies attended the plenary session at the conference hall in Hanoi to discuss the draft bill of the revised law on land.

The discussion focused on five major issues related to the law on land including the rights of land users, the period for land occupation, restrictions, land allotment to localities, and land management agencies.

Tomorrow, 1 July, National Assembly deputies will continue their discussion on the draft bill on the revised law on land.

Communique on 30 Jun Session

BK3006142093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Jun 93

[Communique No. 7 of the Ninth National Assembly's third session]

[Text] From 25-30 June, the National Assembly deputies worked in different delegations and groups to discuss the draft of the revised land law, the draft bill on agriculture land use tax, the draft law on state-run business establishments, the draft law on business bankruptcy, regulations governing the activities of National Assembly deputies and delegations, and regulations governing the activities of the National Assembly Standing Committee, National Assembly Nationalities Council, and other National Assembly committees. They also exchanged views on the appointment of additional personnel to a number of National Assembly committees, amendments or supplements to the 1993 legislative work program, and on the National Assembly's 1993 budget.

On 30 June, the National Assembly held a plenary meeting at the conference hall to discuss the draft of the revised land law under the direction of National Assembly Chairman Nong Duc Manh. Twelve deputies addressed the meeting, namely, Bui Duc Luan of Haiphong, Nguyen Van Hanh of Ho Chi Minh City, Le Minh Tung of An Giang, Dang Van Nen of Tay Ninh, Le Van Chi of Thanh Hoa, Dang Quoc Tien of Bac Thai, Nguyen Duy Anh of Lam Dong, Nguyen Thi Hoai Thu of Tien Giang, Do Quoc Thang of Lao Cai, Tran Thi Nhan of Quang Ngai, Le Xuan Tung of Hanoi, and Nguyen Duc Hoan of Quang Tri.

On 1 July, the National Assembly will continue its discussion in the conference hall on the draft of the revised land law.

1 Jul Morning Proceedings

BK0107055893 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 1 Jul 93

[Text] This morning, the National Assembly deputies continued their work in the Conference Hall on the draft of the revised land law under the direction of National Assembly Chairman Nong Duc Manh. They focused on five main issues that are still being debated. The five issues are the rights of land users, the terms of land use, land classification, village land fund, and which state agency is to be responsible for land management.

Deputy Tran Quang Ngoc of Nam Ha voiced his concern over a suggestion that land users be granted land for an unlimited period. He said that it is at variance with the Constitution and suggested that the land should be granted for a limited period of 20 to 50 years as it is written in the draft bill. Deputy Vi Xuan Thanh of Lang

Son agreed with the outline of the draft bill and suggested that as soon as the draft bill is passed, its sublaws should be quickly promulgated.

Deputy Nguyen Ba Thanh of Quang Nam-Da Nang suggested that the draft should reserve a separate chapter for city land management. Deputy Le Dinh Thanh of Vinh Phu stated that there should be sublaw documents defining the rights of land users to prevent the exploitation of those rights to conduct land trading for illegal profits.

This afternoon, the National Assembly will continue its work in the Conference Hall on the draft of the revised land law.

Further on Vo Van Kiet's Visit to Germany

Vo Van Kiet Meets Von Weizsacker

BK3007152593 Hanoi VNA in English 1406 GMT 30 Jun 93

[Text] Hanoi VNA June 30—German President Richard Von Weizsacker cordially received in Bonn on Tuesday Prime Minister Vo Van Kiet on his current visit to Germany. Prime Minister Vo Van Kiet thanked the German leaders for having afforded the Vietnamese delegation an opportunity to visit Germany and discuss measures to strengthen the friendship and cooperation between the two countries.

He pointed out: 'Vietnam attaches great importance to the role of Germany in Europe and in the the world and hopes to strengthen the friendship and develop the mutually beneficial cooperative relations which will not only benefit the development of each country, but also positively contribute to peace, stability and development in the region and elsewhere in the world'.

He stressed : 'Vietnam highly values Germany's successful experiences in economic development and national construction. On its way of development, Vietnam wishes to have German participation through the provision of capital, technology, technique and experience. We believe that in the near future our multiform cooperation will meet the expectation of the peoples of the two countries.

For his part, President R.V. Weizsacker highly valued Vietnam's achievements in renovation and open-door plicy. He said Vietnam has succeeded in renovation because it has cleverly associated economic renovation with political renovation. He expressed his pleasure at the encouraging development of the friendship and cooperation between Vietnam and Germany. The German-Vietnamese cooperation, he said, is a matter of course but it can have a real significance when it is placed in the regional context. There is now no obstacle to the relation between the two countries. If the two sides strive together to enhance that relation, it will certainly see a rapid and satisfactory development, he stressed.

The president pointed to the important role of Vietnam in Southeast Asia and stressed: 'That Vietnam develops a good relationship with the other countries in the region in the present situation is very necessary. Vietnam's contributions to the region deserve high appreciation. For its part, Germany will also increase its relations of mutual benefit with all countries and contribute to the cause of peace, stability and development in the region and the rest of the world. President R.V. Weizsacker asked P.M. Vo Van Kiet to convey his best regards to President Le Duc Anh and other Vietnamese leaders.

In the same afternoon, P.M. Vo Van Kiet called on German Bundestag Speaker Dr. Rita Suessmuth. Host and guest had a frank discussion of regional and international issues of mutual concern. They highly appreciated the new steps in the friendship and cooperation between Vietnam and Germany, and expressed their wishes for further development of that relation after this visit to Germany of Prime Minister Vo Van Kiet. Mrs. Suessmuth acclaimed the important achievements made by the Vietnamese people in economic development and in the implementation of the open-door external policy. She said that the German Bundestag would be glad to welcome Vietnamese Speader Nong Duc Manh in the near future. She affirmed that German Bundestag would do its best to promote the ties of friendship and cooperation between Vietnam and Germany in the interest of each country, and for peace, friendship, stability and development in the region and the world as a whole.

Also yesterday afternoon, Vietnamese Foreign Minister Nguyen Manh Cam, German Deputy Prime Minister and Foreign Minister Dr. K. Kinkel, and German Minister of Transport M. Wissman signed an agreement on maritime transportation. In the evening, Dr. Kinkel have a banquet in honour of Prime Minister Vo Van Kiet and his party.

Meets Chancellor Kohl

BK3006153593 Hanoi VNA in English 1454 GMT 30 Jun 93

[Text] Hanoi VNA June 30—Prime Minister Vo Van Kiet of Vietnam held talks in Bonn yesterday with Chancellor Helmut Kohl on his official visit to Germany from Monday.

Chancellor Helmut Kohl welcomed P.M. Vo Van Kiet's visit, the first ever of a Vietnamese prime minister to the Federal Republic of Germany, as an event of great significance in the relations of the two countries. The chancellor pointed out that the meeting and direct exchange of views between the leaders of the two governments are of special significance as they constitute an important landmark in the new relations between the two countries. He expressed the German Government and people's wish to bring the bilateral relations to a new stage with higher quality and greater scale. He welcomed the Vietnamese people's achievements in their renovation process and in their foreign policy, and promised to

actively support Vietnam in its current renovation process and national construction.

For his part, P.M. Kiet reiterated the Vietnamese Government and people's wish for further development of their friendship and cooperation with Germany. He thanked the German Government for extending financial and technical aid to Vietnam and actively supporting it to promote its ties with the European Community and to normalize its relations with international financial and monetary organizations. Reviewing the relations between the two countries, the two prime ministers held that over the past period, there has been an encouraging development in economy, commerce, science and technology, culture, and other fields. However, this has not been commensurate with the two sides' potentials and wishes. The two leaders also exchanged views on how to promote the two countries' cooperation to a new height on a larger scale and with better quality in the coming period.

Chancellor Helmut Kohl reaffirmed that Germany will increasingly provide development and technical aid to Vietnam, and create favourable conditions for Germany's groups and corporations to make further investment in Vietnam. The two sides held that developing the cooperative relations between the two countries benefits not only the two peoples but also peace, stability and cooperation in the region. Chancellor Helmut Kohl reaffirmed that along with strengthening and consolidating the bilateral relations, the German Government will continue its support to Vietnam to develop its relations with the European Community and with international financial and monetary organizations.

QUAN DOI NHAN DAN on Publishing Sector

BK2806113793 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 23 Jun 93

[Press Review]

[Text] The QUAN DOI NHAN DAN on page 1 today carried a report on the investigation by Tran Nguyen Trang on the restoration of order and normalcy in the publishing sector, which detailed both the current situation and its resolutions.

After mentioning the positive and encouraging initial progress in publishing activities of concerned echelons and sectors, the author also raised the shortcomings caused by the issuance of permits, and the unauthorised publishing activities of a number of publishing houses which were still continuing without any administrative sanctions.

The author petitioned: To determine clearly the essence, position, and the objective of publishing, and to firmly hold this essential ideological battleground after the National Assembly passes the publishing law, I believe all concerned echelons and sectors should review the publishing activities in their localities. They should also implement the law as well as regulations. First, the

management of publishing activities in state agencies must be effective. In addition to the state publishing system, I believe that we need to involve the contractors or give authorization to organizations and individuals who have been registered in the publishing trade.

Lastly, in handling breaches against the publishing law, we must be serious and scientific in assessing and investigating publications and publishing activities. Once a conclusion has been reached, the measures should be taken promptly and clearly in accordance with Articles 39, 40, 41, and 42 of the bill.

Do Muoi Visits Party Paper on Journalists Day

BK3006081793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 23 Jun 93

[Text] On the occasion of Vietnam Journalists Day, on the afternoon of 22 June Comrade General Secretary Do Muoi paid a working visit to the office of the newspaper NHAN DAN, the central organ of the Communist Party of Vietnam. Also joining the comrade general secretary in the working session were Comrade Ha Dang, member of the party Central Committee and head of its Ideology and Culture Department; Comrade Thai Ninh, member of the party Central Committee attached to the leadership of its ideology and Culture Department; Comrade Tran Luu Bi, head of the Central Finance and Administrative Board; and Comrade Vu Khac Lien, deputy minister of culture and information.

The comrade general secretary rejoiced at the efforts exerted by the brother and sister editors and correspondents of the party paper to quickly transmit all party resolutions and directives and state laws and policies to the entire party and people, increase the volume of information through diversified forms, and change the methods of reporting in a way that is closer to life, thus contributing effectively to the country's renovation process.

He said: Faced with complex changes in the situation in the country and the world, the paper NHAN DAN has demonstrated its firmness in vigorously struggling against misdeeds so as to safeguard the party's viewpoints and help readers define their thoughts. The paper has also persisted in revealing and glorifying new factors; introducing good models; promptly propagandizing and revealing good experiences; and vigorously struggling against corruption, smuggling, and other social vices.

Faced with the needs arising from national construction and defense, the comrade general secretary expressed hope that NHAN DAN will further sharpen its sensitivity, manifest even more profoundly all the major political viewpoints and guidelines of the party, further enhance its militancy and practicality, and strive to be worthy of being the political and ideological banner on the press front.

Ha Giang Province Opens Drug Detox Center

BK2706154593 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 26 Jun 93

[Text] In 1992, there were 340 drug addicts in Meo Vac district in Ha Giang Province. Faced with that situation, the district party committee and people's committee asked for and were given permission by the province to set up an education and detoxification center for drug addicts in the township under the control of the district public health service, Vietnam Fatherland Front Committee, public security service, and military committee.

Cadres have since been sent to various hamlets and villages to persuade drug addicts to go to the center for detoxification. The center, however, still suffers from a lack of necessary materials and equipment and still needs the attention and assistance of various sectors and echelons.

Doan Khue Writes to 968th Division on Anniversary

BK3006075593 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 27 Jun 93

["Text" of letter from General Doan Khue, minister of national defense, to cadres and combatants of the 968th Infantry Division of the 4th military region on its 25th founding anniversary; date not given]

[Text] Dear Comrades: On the occasion of the 25th founding anniversary of the 968th Division, 28 June 1968-28 Jun 1993, on behalf of the Military Commission of the party Central Committee and the Ministry of National Defense, I would like to convey my kind regards and warmest greetings to all cadres and combatants of the division. I would also like to convey my cordial regards to the families of fallen combatants and the comrade disabled and ailing soldiers of the division, and other comrades of the division who have retired from active duty or have been transferred to other branches.

Through 25 years of construction, fighting, and development under the leadership of the glorious Communist Party of Vietnam and esteemed President Ho Chi Minh and with the protection and assistance of our people and the multiethnic Lao people, cadres and combatants of all generations of the 968th Division have always illustrated the fine nature and glorious traditions of the heroic Vietnam People's Army. By overcoming numerous stages of fierce fighting full of hardship and sacrifice,

they have been able to score many outstanding achievements in the struggle for national liberation and reunification, as well as for the defense and construction of the socialist Vietnamese fatherland and fulfillment of our lofty international duty.

You, comrades, are truly worthy of the honorable title of heroic unit of the people's armed forces.

On this occasion, I would like to warmly commend all cadres and combatants of the division for their achievements over the past 25 years.

May I wish you, comrades, good health and progress.

My cordial and determined-to-win salutations.

France To Fund Business Training Projects

BK2906145593 Hanoi VNA in English 1325 GMT 29 Jun 93

[Text] Hanoi VNA June 29—France has agreed to finance two projects for the training of economic managers and insurance workers for Vietnam. Agreements to this effect have been signed in Hanoi by representatives of the Vietnamese Ministry of Finance and the French Ministry of Economy.

Under the agreements, the French Government will provide 7.9 million francs from its training aid fund to Vietnam agreed upon in the fiscal protocol signed on Nov. 3rd, 1992.

Pham The Duyet Attends Hanoi Party Renovation Forum

BK3006100093 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 29 Jun 93

[Text] On 28 June 1993, the Hanoi Standing Party Committee coordinated with the Management Committee for National Scientific Project TX0506 on Studying the Vietnamese Political System in the Transitional Period to Socialism to hold a seminar on renovating party leadership at precincts, district levels, and sectors for the continuous implementation of the third plenum resolution. Comrade Pham The Duyet, member of the party Political Bureau and secretary of the Hanoi Party Committee attended the seminar.

The seminar produced many opinions on strengthening the effectiveness of party committees, especially on the relationship between the party and government and mass organizations at precincts and district levels and sectors. This is an important point of research as well as a working program for the Hanoi Party Committee on party renovation and rectification.

Dozens of speeches reflecting vivid realities were presented at the seminar. The delegates concentrated their discussion on the subjective and urgent character of strengthening and renovating party leadership. The seminar exchanged opinions on practical issues regarding substance and structure to ensure a good relationship between the party committee and government and mass organizations. It also drew many experiences in defining procedures, methods, and work to guarantee the leadership role of the party.

Russia Suspends Irina Radio Programs

BK0107004093 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 30 Jun 93

[Text] The Russian paper PRAVDA on 30 June reported that the Russian Ministry of Posts has ordered the suspension of broadcasting of Irina radio programs to Vietnam. The paper commented: It is hoped that a thorn will hereby be removed from the relations between us, meaning Russia and Vietnam.

Australia

Evans: APEC May Replace Failed GATT

*BK3006123993 Melbourne Radio Australia in English
0803 GMT 30 Jun 93*

[From the "International report" program]

[Text] Australia's foreign minister, Gareth Evans, says the APEC [Asia Pacific Economic Cooperation] economic grouping could replace the General Agreement on Tariffs and Trade as a force for regional trade liberalization if the so-called Uruguay Round of GATT negotiations fail. Disagreements over agricultural subsidies have stalled the Uruguay talks on freer trade and threaten to divide the world into protectionist trading blocs. Senator Evans says the Australian-initiated APEC forum could help protect the region from being sucked into a global trade war. Trevor Watson reports that the Australia foreign minister is this week discussing the future of APEC with his Indonesian counterpart as well as Asian diplomats and academics at a conference in the north Queensland town of Port Douglas.

[Begin recording] [Watson] Founded four years ago as a forum for the informal exchange of ideas leading hopefully to freer Asia-Pacific trade, APEC has had to grow in a difficult global environment. The Uruguay Round of GATT negotiations have stalled over farm subsidies and protectionist blocs are now threatening world trade. Senator Evans freely admits that APEC is today seen by its 15 Asia-Pacific members as a hedge against the fall out from a trade war between the European Community and North America.

[Evans] While the crucial objective of this is to avoid what is everybody's nightmare scenario of the world breaking up into three warring trade blocs built around the Americas, the Asian region, and Europe, each pursuing aggressive trade war against everybody else, I think if the Uruguay Round does fall over, the worst case scenario eventuates, then you do have a collection of 15 of the world's most significant trading nations committed intellectually and politically [to] free trade liberalization and it may be that we will be able to achieve something that couldn't be done in a GATT context by virtue of having the United States and Canada as part of this APEC process. We have at least built a bridge across two of the [word indistinct] three warring trade blocs that analysts are worried about.

[Watson] But not all of APEC members live up to the organization's lofty free trade rhetoric. For example, while it proclaims a commitment to trade liberalization, the United States continues to use its Export Enhancement Program or EEP to subsidize grain sales to Australia's traditional customers. Last week it also imposed punitive tariffs on imports of Australian steel.

[Evans] The United States does sometimes behave in a way that is incompatible with the free trade rhetoric and we've been among a number of countries that had an

occasion to get back into it for just that kind of duality as a (?crunch). The important thing is that we get the United States engaged in these kind of multilateral bodies with all the pressure that flows from the discipline of the group engaged in a much more genuinely multilateralist and open approach to these issues, then we've got a chance of getting some reforms, some redemption in a country that's not easily changed in its ways. But, to let it go that way, to isolate it, to stand back and just scream and shout about its various falls from grace is not nearly as constructive an approach I think as embracing it within this kind of trade policy framework.

[Watson] Washington's assistance secretary of state, Winston Lord, maintains that only a successful outcome of the current GATT round can resolve the differences between Australia and the United States.

[Lord] With respect to EEP, the problem begins with Europe so we've got to get up that issue in other forums including in the GATT Uruguay Round. The EEP is in many ways unfortunate but it's because of Europe's practices that this existed on. We resort to it in a way that we try to hurt innocent third parties as little as possible. We recognize it's a serious problem.

[Watson] Not all APEC members are as firmly committed as Australia to rapid trade liberalization. Indonesia's foreign minister, Ali Alatas, says varying levels of development must be taken into account and rules established to protect weaker economies.

[Alatas] It sounds like it is a contradiction but there is a French saying which roughly translates that between unequals too much freedom kills and it is regulation that liberates. Now, in a world, in an economic world between highly developed countries and developing countries, we look at the GATT to have clear rules of how to play the game so that everybody gets a just deal and that is precisely what the Uruguay Round is about. If it fails we will still have the same old GATT but we will not achieve the improvements that we have been trying to achieve through three, four years of past negotiations and it would still be a good thing to have APEC to fall back to. But, of course, if the Uruguay Round fails, then I think the greatest losers are the weak, developing countries. [End recording]

Small Improvement in May Trade Figures

*BK3006081893 Melbourne Radio Australia in English
0500 GMT 30 Jun 93*

[Text] There has been a small improvement in Australia's monthly trade figures. Economists say Australia's exports appear to be holding up well despite the weakness of the world economy. A 2-percent rise in exports has kept the May balance of payments figures in line with market expectations coming in at \$1.54 billion seasonally adjusted. That is down on April with imports rising only 1 percent while exports grew by 2 percent underpinned by sales abroad of telecommunications equipment. Gold and meat exports were also up.

Minister on UK Offer To Share Nuclear Clean-up

*BK3006081493 Hong Kong AFP in English 0033 GMT
30 Jun 93*

[Text] SYDNEY, June 30 (AFP)—A British offer of 20 million pounds (30 million U.S.) to help clean up the former nuclear test site at Maralinga in South Australia was welcome but late, a senior government spokesman said Wednesday. The offer, approved by cabinet in Canberra late Tuesday, means Britain and Australia will share an estimated 101 million Australian dollars (67 million U.S.) in clean-up costs over five years.

The site, which covered traditional lands belonging to an Aboriginal tribe, was used to test atomic bombs in the 1950s and 1960s. The British also conducted tests in the area in the 1950s and 1960s.

Speaking in a radio interview here Wednesday, Crean said Australia acknowledged some responsibility for the clean-up because it had overseen part of the original clearing of the Maralinga site. Negotiations carried out by Crean and Foreign Minister Gareth Evans had been complicated by an agreement made by a previous Australian government.

"We were labouring under very difficult circumstances," Crean said. "The government of the day in 1969 had signed a release to the British government absolving them of any further liability and it was against this background that we had to seek to get the matter reopened."

The ministers had argued for compensation for the Tjarutja Aboriginal people who want 45 million Australian dollars in compensation for loss of access to their traditional lands in Maralinga. But the British would not accept that component of the claim, so the Australian government will negotiate the remainder of the settlement with the Tjarutja.

Crean said that while the offer was not regarded as too little, it was late.

"It could have been given a lot earlier, that's for sure," Crean said in a radio interview. "The offer that was made we think is a substantial contribution."

Fiji**Deficit Increases to \$60 Million in 1st Quarter**

*BK0107073493 Melbourne Radio Australia in English
0500 GMT 1 Jul 93*

[Text] Fiji's international transactions for the first three months of this year resulted in a balance of payments deficit of about \$60 million. According to figures released by the Fiji Bureau of Statistics this was a deterioration from a deficit for the same period last year of \$10.5 million. The January to March payments this year totaled \$638 million compared with receipts of \$578 million. Earnings from sugar, unrefined gold, fish, timber, garments, and coconut oil amounted to 68 percent of Fiji's export receipts in the three months.

Western Samoa**Protesters Call for Shorter Parliamentary Term**

*BK3006001893 Hong Kong AFP in English 2339 GMT
29 Jun 93*

[Text] Apia, June 29 (AFP)—Some 100 people marched on parliament here Tuesday calling for the government to dissolve the assembly early next year to hold early elections rather than waiting until 1996 as scheduled.

The Samoa Democracy Movement was formed after the 1991 elections when parliament amended the constitution to extend terms of office from three years to five years. The amendment was effective immediately. The group argues that the amendment deprived voters of their right to elect representatives for the fourth and fifth years of the new term.

Independent member of parliament Le Tagaloa Pita presented a petition calling for April elections. Spokesman Aiono Mautofu told Prime Minister Tofilau Eti Alesana voters thought they were electing members of parliament for a three year term during the 1991 election. The longer term of office had never been publicised as an election issue.

Tofilau told the marchers their petition had been sent to the Parliamentary Petitions Committee.

Tofilau's government has been struggling to stay in office as the opposition leader Tupua Tamasese Efi appears to be trying to take power. Tupua said Tuesday neither he nor Tofilau knew where the 47 parliament members had placed their political loyalties.

Tupua's Samoa National Development Party appears to have 13 solid supporters.